



Our Ref.: VIL/19-20/25

Date: August 30, 2019

To  
The Manager,  
Dept. of Corporate Services,  
The Stock Exchange, Mumbai  
BSE Limited,  
Phiroze Jeejeebhoy Towers, Dalal Street,  
MUMBAI – 400 001.

Scrip Code: 506142

Dear Sirs,

**Annual Report Financial Year 2018-19**

In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, Please find enclosed herewith copy of Annual Report for the year 2018-19 of Vyapar Industries Limited.

We request you to kindly take the same on record.

Thanking you,

Yours truly,  
For **VYAPAR INDUSTRIES LTD.**

**ANIL KUMAR SINGLA**  
(Company Secretary)





**VYAPAR INDUSTRIES LIMITED**

**ANNUAL REPORT**

**2018-19**

**VYAPAR INDUSTRIES LIMITED**

**ANNUAL REPORT (2018-2019)**

**BOARD OF DIRECTORS**

|                       |                     |
|-----------------------|---------------------|
| Abbas A. Rassi        | - Chairman          |
| Hussain A Rassai      | - Joint Chairman    |
| Akil A. Rassai        | - Managing Director |
| Ramesh W. Lalwaney    | - Director          |
| Farida Engineer       | - Director          |
| Hussain M. Cementwala | - Director          |

**AUDITORS**

M.M.PARIKH & CO. Chartered Accountants, Mumbai

**EQUITY SHARES ARE LISTED ON**

Bombay Stock Exchange

**REGISTER AND SHARE TRANSFER AGENT**

BIGSHARE SERVICES PRIVATE LIMITED.

A, 2/3 Ansa Industrial Estate,  
Sakivihar, Sakinaka,  
Andheri (East), Mumbai – 400 072.  
Ph: 022-28470652/53, 40430200

**DATE OF AGM**

September 30, 2019

**DAY**

Monday

**TIME**

3.00 p.m.

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 34<sup>th</sup> Annual General Meeting of the members of VYAPAR INDUSTRIES LIMITED will be held at 145, S.V. Road, Khar (West), Mumbai - 400 052 on Monday, September 30, 2019 at 3.00 p.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2019 and Profit & Loss Account for the year ended on that date together with the Auditors' and Directors' Report.
2. To appoint a Director in place of Mr. Hussain A. Rassai (DIN:000021454) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Akil A. Rassai (DIN: 00021329) who retires by rotation and being eligible offers himself for reappointment.
4. To appoint auditors to hold office from the conclusion on this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

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

**“RESOLVED THAT** in terms of the provisions of Sections 139,141 and 142 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any modification and or amendment or re-enactments thereof for the time being in force) and pursuant to the recommendation of the Audit committee, M/s. Gohel & Associates LLP (ICAI Registration No. W100162), be and is hereby appointed as Statutory Auditors of the Company, in place of M/s. M. M. Parikh & Co.(ICAI Registration No.107557W), who has shown his unwillingness to continue as Statutory Auditor of the Company w.e.f. this Annual General Meeting, to hold office for a term of five consecutive years from the conclusion of this 34<sup>th</sup> Annual General Meeting, until the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2024, at a remuneration to be determined by the Board of Directors plus taxes as applicable.”

**SPECIAL BUSINESS:**

5. Reappointment of Mr. Ramesh W. Lalwaney as an Independent Director of the Company:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, the Companies (Appointment

and Qualification of Directors) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon the recommendation of the Nomination and Remuneration Committee, Mr. Ramesh W. Lalwaney (DIN:00023420), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby reappointed as an “Independent - Non Executive Director” of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years from September 30, 2019.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

6. Reappointment of Mr. Hussain M. Cementwala as an Independent Director of the Company:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon the recommendation of the Nomination and Remuneration Committee, Mr. Hussain M. Cementwala (DIN:03611787), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment be and is hereby reappointed as an “Independent - Non Executive Director” of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years from September 30, 2019.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution.”

**NOTES:**

1. Brief resume of Directors/ persons proposed to be appointed / reappointed, as stipulated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations 2015 (“Listing Regulations”) and Secretarial Standards issued by The Institute of Company Secretaries of India is provided after the explanatory Statement to this Notice. The details for persons seeking appointment and reappointment as Director under Item No. 2, 3, 5 & 6 of the Notice are annexed.

2. The Company's Statutory Auditors, M/s. M. M. PARIKH & CO.(ICAI Registration No.107557W) were appointed for a period of 5 years at the 32<sup>nd</sup> Annual General Meeting of the Members held on September 29, 2017, has shown his unwillingness to continue as Statutory Auditor of the Company w.e.f. this Annual General Meeting due to his age related health problems. As such Board has recommended appointment of M/s. Gohel & Associates LLP (ICAI Registration No. W100162) as Statutory Auditor of the Company w.e.f. this Annual General Meeting, to hold office for a term of five consecutive years from the conclusion of this 34<sup>th</sup> Annual General Meeting, until the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2024, at a remuneration to be determined by the Board of Directors plus taxes as applicable.”
3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under **Item Nos. 5& 6** of the Notice, is annexed hereto.
4. **A Member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf and such proxy need not be a member of the Company.** A person can act as a proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of Total Paid-up Share Capital of the Company. Any Member holding more than 10% of Total Paid-up Share Capital of the Company may appoint a single person as proxy and in such case, the said person shall not act as proxy for any other person or member. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting, duly stamped.
5. A route map giving route directions to reach the venue of the AGM is provided.
6. Corporate Members are requested to send to the registered office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
7. Members are requested to bring their admission slip along with copy of the report and accounts to Annual General Meeting.
8. Relevant documents referred to in the accompanying Notice would be available for inspection by the members at the Registered Office of the Company on all working days, except Saturday / Sunday & Public Holidays during business hours upto the date of the Annual General Meeting.
9. The Register of Members and the Share Transfer Books of the Company will remain closed from **Monday 23<sup>rd</sup> September, 2019 to Monday 30<sup>th</sup>September, 2019** (Both Days Inclusive) for the purpose of the Annual General Meeting.
10. Members are requested to notify immediately any changes, if any, in their registered addresses at an early date to the Registrar and Share Transfer Agent, quoting their folio numbers/client ID/ DPIN in all correspondence, so as to enable the Company

to address any future communication at their correct address.

11. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting Venue.
12. Members desirous of seeking any information concerning the Accounts or operations of the Company are requested to address their queries in writing to the Company at an early date, so that the requested information can be made available at the time of the meeting.
13. Vide SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment through Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 any request for transfer of securities (except in case of transmission of transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form.
14. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
15. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members holding shares in single name are advised, in their own interest to avail of the nomination facility by filling form with Depository Participants. Members holding shares in the dematerialized form may contact their Depository Participant for recording nomination in respect of their shares.
16. Members holding shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent.
18. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under and pursuant to the circular issued by Ministry of Corporate Affairs (MCA) regarding Green initiative, the Annual Report along with Green Initiative, the Annual Report along with the Notice of the AGM inter alia, indicating the process and manner of remote e-voting along with Attendance slip and Proxy Form, would be sent by electronic mode to those Members, whose e-mail addresses are registered with the Company/ Bigshare Services Pvt. Ltd./ Depository Participant and who have not opted to receive the same in physical form.

For Members who have not registered their email addresses and /or have opted to receive the documents in physical form, physical copies of Notice of AGM would be sent by the permitted mode.

19. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2019 will also be available on the Company's website **www.vyaparindustries.com** for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: **vyapar@vyaparindustries.com**
20. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then they cannot vote by Physical Ballot or vice versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
21. In terms of relevant provisions of SEBI (LODR), Regulations 2015, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to **M/s. Martinho Ferrao & Associates**, Scrutinizer, Level 3, Office # 301, Dhun Building, 23/25 Janmabhoomi Marg, Fort, Mumbai - 400 001. Tel.: **022-22024366**, Email: [mferraocs@gmail.com](mailto:mferraocs@gmail.com) so as to reach him on or before Saturday, September 28, 2019 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
22. Members can request for a Ballot Form at **Vyapar Industries Limited**, at 145, S.V. Road, Khar (W), Mumbai – 400 052 or they may also address their request through E-mail to: **vyapar@vyaparindustries.com**, Contact No.: **022-66989111**.
23. The E-voting period for all items of business contained in this Notice shall commence from **Friday, 27<sup>th</sup> September, 2019 at 9.00 a.m.** and will end on **Sunday, 29<sup>th</sup> September, 2019 at 5.00 p.m.** During this period equity shareholders of the Company holding shares either in physical form or in dematerialized form as on the cutoff date of **September 23, 2019**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on **September 23, 2019**.
24. The Board of Directors has appointed **Mr. Martinho Ferrao** of **M/s. Martinho Ferrao & Associates**, Practicing Company Secretaries (Membership No. **FCS 6221**) and failing him **Ms. Sherlyn Rebello**, Practicing Company Secretary (Membership No. **ACS 41541**) as the Scrutinizer to Scrutinize the E-voting process and voting at the venue of the Annual General Meeting in a fair and transparent manner (including the Ballot Form received from the members who do not have access to the e-voting process).



25. The Results of voting shall be declared by the Scrutinizers within 48 hours from the end of the AGM of the Company and the results along with Scrutinizer's report shall be placed on the website of the Company thereafter and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.
26. The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make, not later than **forty eight hours** of conclusion of the meeting and after scrutinizing such votes, a Scrutinizer's report of the votes cast in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Chairman of the Company.
27. Voting through electronic means:
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL):
  - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on 27th September, 2019 (9:00 am) and ends on 29th September, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - V. The process and manner for remote e-voting are as under:

**The instructions for members for voting electronically are as under:-**

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details of Step 1 is mentioned below:**

**How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below:

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>  |
|---|--|
| a) For Members who hold shares in demat account with NSDL.            | 8 Character DP ID followed by 8 Digit Client ID<br>For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.            | 16 Digit Beneficiary ID<br>For example, if your Beneficiary ID is 12***** then your user ID is 12*****.  |
| c) For Members holding shares in Physical Form.                       | EVEN Number followed by Folio Number registered with the company<br>For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **mferraocs@yahoo.com** with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- VI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM).
- VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- VIII. **Mr. Martinho Ferrao** of **M/s. Martinho Ferrao & Associates**, Practicing Company Secretaries (Membership No. **FCS 6221**) and failing which **Ms. Sherlyn Rebello**, Practicing Company Secretary (Membership No. **ACS 41541**) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



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

Item Nos. 5 to 6

The Members of the Company at the 29<sup>th</sup> Annual General Meeting held on September 30, 2014 had appointed Mr. Ramesh W. Lalwaney and Mr. Hussain M. Cementwala as the Independent Directors of the Company for a term of five (5) consecutive years commencing from September 30, 2014 and upto September 29, 2019.

Based on recommendation of Nomination and Remuneration Committee (NR Committee) and pursuant of provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board at its meeting held on May 30, 2019 has proposed reappointment of Mr. Ramesh W. Lalwaney & Mr. Hussain M. Cementwala as Independent Director's at this Annual General Meeting of the Company for second term of 5 years with effect from September 30, 2019 upto September 29, 2024.

The Members may note that pursuant to Section 149(10) of the Act, an Independent Director shall hold office for a term of up to five (5) consecutive years on the board of a company, but shall be eligible for re-appointment for a further term of up to five (5) consecutive years on passing of a special resolution by the company. Profiles and justification for continuation of the directorship for each of the aforesaid directors are stated below: i.e Mr. Ramesh W. Lalwaney and Mr. Hussain M. Cementwala,

The Company has received declaration to this effect that they meets the criteria of Independent Director as provided under section 149 (6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Except the appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution. Copy of the draft letter of re-appointment of Mr. Ramesh W. Lalwaney and Mr. Hussain M. Cementwala would be available for inspection without any fee by the members at the Registered Office of the Company between 01:00 pm and 3:00 pm on all working days except Saturdays till the date of Annual General Meeting. Disclosures required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 of ICSI is set out as the annexure to this Notice.

For and on behalf of the Board of **Vyapar Industries Limited**

Sd/-

Sd/-

Akil A. Rassai Hussain A. Rassai

Managing Director Joint Chairman

DIN: 00021329

DIN: 00021454

**Registered Office:**

145, S.V. Road, Khar (W),

Mumbai-400 052.

August 13, 2019

**ANNEXURE TO NOTICE**

Disclosure required under Section 196 (4) of the Companies Act, 2013, Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 of ICSI. Information under Clause 49 of the Listing Agreement with respect to Directors seeking re-appointment in this Annual General Meeting.

| <b>Item No. 5</b> |   |   |
|-------------------|---|---|
| 1.                | Name  | Shri Ramesh W. Lalwaney                           |
| 2.                | DIN   | 00023420  |
| 3.                | Date of Birth   | 11 <sup>th</sup> December , 1950                  |
| 4.                | Nationality   | Indian  |
| 5.                | Date of first Appointment   | 30 <sup>th</sup> September, 2014                  |
| 6.                | Experience in Specific Functional Area  | In the field of Legal Consultancy                 |
| 7.                | Profession  | Professional                                      |
| 8.                | Qualification   | B. Sc, P.G.DBA,DIS, Master in Law (Gold medalist) |
| 9.                | Terms and Conditions of Appointment / Reappointment                                 | Re-appointment on retiring by rotation            |
| 10.               | Details of remuneration sought to be paid   | Not Applicable                                    |
| 11.               | Last drawn remuneration   | Not Applicable                                    |
| 12.               | Relationship with other Directors and Key Managerial Personnel                      | None  |
| 13.               | Directorship held in other Listed Companies   | None  |
| 14.               | Chairmanships/Memberships of Committee held in Committees of other Listed companies | None  |
| 15.               | No. of Shares held in the Company   | None  |
| 16.               | Number of meetings of the Board attended during the Financial year 2018-19          | 14  |
| <b>Item No. 6</b> |   |   |
| 1.                | Name  | Shri Hussain M. Cementwala                        |
| 2.                | DIN   | 03611787  |
| 3.                | Date of Birth   | 22 <sup>nd</sup> August, 1976                     |
| 4.                | Nationality   | Indian  |
| 5.                | Date of first Appointment   | 30 <sup>th</sup> September, 2014                  |
| 6.                | Experience in Specific Functional Area  | In the field of Import & Export                   |
| 7.                | Profession  | Business  |
| 8.                | Qualification   | B. Com  |
| 9.                | Terms and Conditions of Appointment / Reappointment                                 | Re-appointment on retiring by rotation            |

|     |   |                |
|-----|---|----------------|
| 10. | Details of remuneration sought to be paid   | Not Applicable |
| 11. | Last drawn remuneration   | Not Applicable |
| 12. | Relationship with other Directors and Key Managerial Personnel                      | None           |
| 13. | Directorship held in other Listed Companies   | None           |
| 14. | Chairmanships/Memberships of Committee held in Committees of other Listed companies | None           |
| 15. | No. of Shares held in the Company   | None           |
| 16. | Number of meetings of the Board attended during the Financial year 2018-19          | 14             |

| <b>Item No. 2 &amp; 3</b>   |   |  |
|---|---|--|
| Name  | Shri Hussaain A. Rassai   | Shri Akil A. Rassai  |
| DIN   | 00021454  | 00021329   |
| Date of Birth   | 11 <sup>th</sup> December , 1950  | 15 <sup>th</sup> July , 1970   |
| Nationality   | Indian  | Indian   |
| Date of first Appointment   | 01 <sup>st</sup> September, 2015  | 01 <sup>st</sup> September, 2015   |
| Experience in Specific Functional Area  | Has experience in the field of Finance, Accounts and Construction   | Has experience in the field of Finance, Accounts, Legal, Marketing and Taxation.                                       |
| Profession  | None  | None   |
| Qualification   | B.Com , B. Architect from J.J. School of Arts, Mumbai   | B.Com , LLB  |
| Terms and Conditions of Appointment / Reappointment                                 | Re-appointment on retiring by rotation  | Re-appointment on retiring by rotation   |
| Details of remuneration sought to be paid   | Not Applicable  | Not Applicable   |
| Last drawn remuneration   | None  | None   |
| Relationship with other Directors and Key Managerial Personnel                      | Is son of Abbas A. Rassai, Chairman of the Company and brother of Mr. Akil. A. Rassai, M.D of the Company | Is son of Abbas A. Rassai, Chairman of the Company and brother of Mr. Hussain A. Rassai, Joint Chairman of the Company |
| Directorship held in other Listed Companies   | None  | None   |
| Chairmanships/Memberships of Committee held in Committees of other Listed companies | None  | None   |
| No. of Shares held in the Company   | 2220986   | 2220986  |
| Number of meetings of the Board attended during the Financial year 2018-19          | 14  | 14   |



## DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the 34<sup>th</sup> Annual Report and the company's audited financial statement for the financial year ended March 31, 2019.

### FINANCIAL RESULTS:

The standalone financial results of your Company for the financial year ended March 31, 2019 are summarized below:

(Amount in Rs.)

| Particulars   | Year ended<br>March 31,<br>2019 | Year ended<br>March 31, 2018 |
|---|---------------------------------|------------------------------|
| Income from operations                              | 38,39,300                       | 2,16,26,238                  |
| Other Income  | 82,01,410                       | 74,97,459                    |
| Total Expenditure                                   | 87,85,705                       | 2,97,39,980                  |
| Depreciation  | -                               | -                            |
| Profit before Tax                                   | 32,55,005                       | (6,16,083)                   |
| <u>Provision for Taxes</u>                          |                                 |                              |
| Current   | 15,68,343                       | -                            |
| Deferred  | (7,14,036)                      | 35,630                       |
| Profit(Loss) after Taxes                            | 24,00,699                       | (6,51,913)                   |
| Other Comprehensive Income                          |                                 |                              |
| -item that will not be classified to Profit & loss  |                                 |                              |
| Re-measurement gains/(loss) on defined benefit plan | 31,760                          | (20,300)                     |
| Income tax relating to above                        | (9,528)                         | -                            |
| Equity Instruments through Other Comprehensive      | 1,27,17,662                     | 9,81,31,650                  |
| Income  | (25,43,532)                     | (1,96,26,330)                |
| Income tax relating to above                        |                                 |                              |
| Other Comprehensive Income, net after tax           | 1,01,96,362                     | 7,84,85,020                  |
| Total Comprehensive Income For the period           | 1,25,97,061                     | 7,78,33,107                  |

### DIVIDEND

With view to conserve resources of the Company, the Board of Directors of the Company havenot recommended any dividend for the year 2018-19.

### CAPITAL

The company's present paid up capital stands at Rs. 6,13,20,000 comprising of 61,32,000 equity shares of Rs. 10/- each.

### COMPANY'S AFFAIRS

During the year under review the revenue registered a decrease from Rs.2,16,26,238 in last year to Rs.38,39,300 in current year. The existing business has been effected by adverse conditions prevailing in the market. The Company imports yarn from China as well as purchases from importers and sells it in local market. The Company is getting most of its yarn air spliced which makes its knots less. This is value addition for the Company's

product, to be well accepted in local market. Company's Total Comprehensive Income registered a decrease from Rs.7,78,33,108 in last year to Rs.1,25,97,061 in current year.

Yarn & Thread will be the thrust areas of business for the Company in the coming years. The Company's Yarn and thread products are very well accepted due to the ISO certification, quality improvement and timely delivery policy. The Company has concentrated on its goals of consolidating and strengthening its marketing network, delivering quality products and cutting cost wherever possible.

Various organizational development initiatives were undertaken during the year. These are expected to help create a robust organization based on strong values, uniform and systematic business processes and people empowerment.

The Management Discussion and Analysis Report deals with the operations of your Company in detail and forms part of this Annual Report.

Your directors are hopeful of better results for the company in the current year.

#### **FUTURE OUTLOOK**

There has been loss during the year under review due to adverse market conditions. Your directors are hopeful of better results for the company in the current year.

#### **DEPOSITS:**

During the year under review the Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance or Deposits) Rules, 2014.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the financial year under review, the Company has not given any Loan, Guarantees or made any Investments covered under the provisions of Section 186 of the Companies Act, 2013.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The company has an internal control System, commensurate with the size, scale and complexity of its operations. The internal Audit functions report to the Chairman of the Audit Committee and to Chairman and Managing Director of the Company.

The Internal Audit monitors and evaluates the efficiency and adequacy of internal control systems in the company and compliances with operating systems, accounting procedure and policies at all locations of the Company.

#### **AMOUNTS PROPOSED TO BE CARRIED TO RESERVES:**

Particulars of the amounts proposed to be carried to reserves have been covered under Note to the financial statements of the Company.

## **FINANCIAL STATEMENT**

The audited financial statement of the Company prepared in accordance with the Companies Act, 2013 and relevant Accounting Standards (AS) issued by the Institute of Chartered Accountants of India forms part of this Annual Report. The Compliance Officer will make these documents available upon receipt of a request from any member of the Company interested in obtaining the same. These documents will also be available for inspection at the Registered Office of your Company during working hours up to the date of the Annual General Meeting.

## **ANNUAL RETURN:**

As per the Companies (Amendment) Act, 2017 dated 3<sup>rd</sup> January, 2018 read with notification dated 9<sup>th</sup> February, 2018 a copy of Annual Report is available at [www.vyaparindustries.com](http://www.vyaparindustries.com).

## **DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013**

No material changes and commitments which could affect the Company financial position have occurred between the end of the financial year of the Company and the date of this report, except as disclosed elsewhere in this report.

## **PARTICULARS ON CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

This information is required as per Section 134(3)(m) of the Companies Act, 2013, read with rule 8 of the Companies (Accounts) Rules, 2014. Since the Company's operations involve low consumption of energy. The activities of the Company do not as such involve any technology absorption or expenditure on research and development. Nonetheless, the Company's endeavors would be to achieve what is best possible in its business.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign exchange earned during the period under consideration was Rs.NIL. Foreign exchange expenditure incurred during year amounted to Rs.NIL.

## **DIRECTORS:**

The Board of Directors is duly constituted. As per provisions of Companies Act, 2013 for retirement by rotation, all executive directors are now liable to retire by rotation.

The Company has formulated a policy on director appointment & remuneration including criteria for determining qualifications, positive attributes, independence of director & other matters as provided under section 178(3) of the Companies Act, 2013 & such policy is annexed with the Director Report. The details of familiarization programme for Independent Directors have been disclosed on website of the Company. Pursuant to the provisions of the Companies act 2013 and SEBI (Listing Obligation and Disclosure Requirements) 2015, evaluation of every Director's performance was done by the Nomination and Remuneration Committee. The performance evaluation of the Non – Independent Directors and the Board as a whole, committees thereof and the chairperson of the company was carried out by the Independent Directors. Evaluation of the Independent Directors was carried out by the entire Board of Directors, excluding the

Directors being evaluated. A structured questionnaire was prepared after circulating the draft norms, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the directors to discharge their duties, Corporate Governance practices etc. The Directors expressed their satisfaction with the evaluation process.

**POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:**

The Company's policy on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and matters provided under sub-section (3) of Section 178 is as below:

**The appointment policy for Independent Directors, Key Managerial Personnel & Senior Executive is as under:**

**(A) Independent Directors:**

Independent Directors are appointed based on the criteria mentioned under section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, Rules made there under & Listing Agreement entered with Stock Exchanges.

**(B) Key Managerial Personnel (KMP):**

KMP are appointed by the resolution of the Board of Directors of the Company, based on the qualification, experience and exposure in the prescribed fields. Removal of KMP is done by the Resolution of the Board of Directors of the Company. Appointment/ Removal is in accordance with provisions of the Companies Act, 2013, Rules made there under & Listing Agreement entered with Stock Exchange.

**(C) Senior Executives:**

Senior Executives are appointed by the Chairman & Managing Director and/or Executive Director of the Company based on their qualification, experience and exposure. Removal of Senior Executives is also done by Chairman & Managing Director and/or Executive Director. Further, appointment & removal is noted by the Board as required under clause 8(3) of Companies (Meetings of the Board and its powers) Rules, 2014.

Following policies of the company are available on website of the Company [www.vyaparindustries.com](http://www.vyaparindustries.com) as well as form a part of this report as Annexure – 1, Annexure-2 and Annexure-3.

Policy on appointment of Directors and Senior Management (Annexure-1)

Policy on Remuneration to Directors' (Annexure-2)

Policy on Remuneration of Key Managerial Personnel and Employees (Annexure-3)

**PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS:**

Criteria for performance of Independent Directors as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed herewith forms a part of this report.

**DETAILS OF APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year Mr. Parvez M. Master (DIN: 00024845), independent Director of the Company has resigned on 12<sup>th</sup> August, 2018. Mrs. Farida Engineer (DIN:06417865) was appointed as Independent Director of the Company on 27<sup>th</sup> August, 2018. Mr. Abbas A. Rassai, Non Executive Non Independent Promoter Director has resigned on 29<sup>th</sup> March, 2019 and was reappointed on 30<sup>th</sup> May, 2019 as Non Executive Non Independent Promoter Director designated as Chairman of the Company. Mrs. Shabana Mistry, Executive Director of the Company has resigned from Directorship on 30<sup>th</sup> May, 2019 but will continue as C.F.O of the Company. There was no other change in Directors and Key Managerial Personnel.

**KEY MANAGERIAL PERSONNEL**

**Mr. Akil A. Rassai** is the Managing Director of the Company upto **31<sup>st</sup> August, 2020**, Ms. Shabana Mistry, is Chief Financial Officer and **Mr. Anil Kumar Singla**, is the Company Secretary of the Company. They are designated as "Key Managerial Personnel" of the Company pursuant to Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

**STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS:**

Mr. Ramesh W. Lalwaney (DIN: 00023420), Mrs. Farida Engineer (DIN: 06417865) and Mr. Hussain M. Cementwala (DIN: 03611787) are the Independent Directors of the Company and 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 clause (b) of sub-regulation (1) of the Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015..

**MEETING OF BOARD OF DIRECTORS:**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 14(Fourteen) Board meetings and 7(Seven) Audit Committee Meeting were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. All the Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

**SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Joint Venture and Associate Company.

**RELATED PARTY TRANSACTIONS:**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure -5.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the SEBI LODR. This Policy was considered and approved by the Board has been uploaded on the website of the Company at [www.vyaparindustries.com](http://www.vyaparindustries.com).

**SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY' OPERATION:**

To the best of our knowledge, the Company has not received any such orders from Regulations, Courts or Tribunals during the year, which may impact the going concern status or the Company's operations in future.

**LISTING WITH STOCK EXCHANGES:**

Your Company continues to be listed on the Bombay Stock Exchange, where the Company's shares are being traded. The company has paid listing fees for the financial year 2019-20.

**DEMATERIALISATION OF SHARES:**

99.999% of the company's paid up Equity Share Capital is in dematerialized form as on 31<sup>st</sup> March, 2019 and balance 0.00003 % (19 shares) is in physical form.

**EXPLANATION OR COMMENTS ON AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT:**

The observations and comments furnished by the Auditors in their report read together with the notes to Accounts are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

There are no qualifications, reservations or adverse remarks or disclaimer made by the statutory auditors in their audit report or by the practicing company secretary in the secretarial audit report

The Statutory Auditor has not reported any incident of fraud of the company during the financial year 2018-2019.

## **CASH FLOW STATEMENT**

Cash flow statement pursuant to Regulation 34(2)(c ) of the SEBI LODR is attached herewith

## **AUDITORS:**

### **STATUTORY AUDITORS**

The present Statutory Auditors of the Company, M/s.M. M. PARIKH & CO., Chartered Accountants, Mumbai (ICAI Registration No.107557W), have shown their unwillingness to continue as Statutory Auditors of the Company from the forthcoming Annual General Meeting and M/s. Gohel & Associates LLP.(ICAI Registration No.107557W), be and is hereby appointed as Statutory Auditors of the Company, in place of M/s. M. M. PARIKH & CO.(ICAI Registration No.107557W), who have shown their unwillingness to continue as Statutory Auditor of the Company w.e.f. this Annual General Meeting, to hold office for a term of five consecutive years from the conclusion of this 34<sup>th</sup> Annual General Meeting, until the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2024. Accordingly, your Board recommends their appointment. The Company has obtained eligibility certificate from the auditors along with written certificate from to the effect that the appointment, if made, will be in accordance with the limit specified in Section 141 of the Companies Act, 2013.

## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Sherlyn Rebello & Associates, Company Secretaries to undertake Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **MAINTENANCE OF COST RECORDS:**

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required for your Company and accordingly such accounts and records are not made and maintained by the Company,

## **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirms that:

- i. In the preparation of the annual accounts for the financial year ended **31<sup>st</sup> March, 2019** the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year ended **31<sup>st</sup> March, 2019**.
- iii. The Directors have taken sufficient and proper 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 material fraud and other irregularities.

- iv. The Directors have prepared the Annual Accounts on a going concern basis.
- v. There are proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vi. That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY **2018-19**.

#### **ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

#### **DETAILS OF COMMITTEE OF DIRECTORS**

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors and Stakeholders Relationship/Grievance Committee of Directors, number of meetings held of each Committee during the financial year **2018-19** and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report forming part of this report.

The recommendation by the Audit Committee as and when made to Board has been accepted by it.

#### **RISK MANAGEMENT**

During the year, Management of the Company evaluated the existing Risk Management Policy of the Company to make it more focused in identifying and prioritizing the risks, role of various executives in monitoring & mitigation of risk and reporting process. Its aim is to enhance shareholders value and provide an optimum risk-reward tradeoff. The Risk Management Policy has been reviewed and found adequate to the requirements of the Company, and approved by the Board.

The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

#### **VIGIL MECHANISM**

The Company has put in place Vigil Mechanism. The detailed mechanism is given in Corporate Governance Report forming part of this report.

#### **CORPORATE GOVERNANCE**



A separate report on Corporate Governance as stipulated under the SEBI(LODR) Regulations 2015, forms part of this Report. The requisite certificate from the Practicing Company Secretary of the Company regarding compliance with the conditions of corporate governance is attached to the report on corporate governance report and management discussion and analysis are attached, which form part of this report.

**MANAGING DIRECTOR'S CERTIFICATE**

A Certificate from the Managing Director in respect of the Financial Statements forms part of the Annual Report.

**CODE OF CONDUCT:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure – 6.

**CHANGE IN THE NATURE OF BUSINESS:**

During the year under review, there has been no change in the nature of business of the Company.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any subsidiaries, joint ventures or associate companies.

**PARTICULARS OF EMPLOYEES:**

During the year under report, none of the employees of the company was in receipt of remuneration for any part of the year, in excess of the amount of remuneration prescribed in section 197 of the Companies Act 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended up to date.

**CORPORATE SOCIAL RESPONSIBILITY**

The Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility Committee is not applicable to the Company as the Networth, Turnover and Profit of the Company are below the threshold limit prescribed by the Companies Act, 2013.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

**PRESENTATION OF FINANCIAL STATEMENTS**

The financial statements of the Company for the year ended **31<sup>st</sup> March, 2019** have been disclosed as per Schedule III to the Companies Act, 2013.

## **STATUTORY DISCLOSURES**

A copy of audited financial statements of the company will be made available to the members of the Company, seeking such information at any point of time. A cash flow statement for the year **2018-2019** is attached to the Balance Sheet.

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

The Company is committed to provide a healthy environment to all the employees and thus does not tolerate any sexual harassment at workplace. The Company has in place Policy on prevention, Prohibition and Redressal of Sexual Harassment.”. The policy aims to provide protection to employees at the workplace and preventing and redressing complaints of sexual harassment and it covers matters connected or incidental thereto. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (prevention, Prohibition and Redressal) Act, 2013

The company has not received any complaint of sexual harassment during the financial year 2018-2019.

## **INSURANCE:**

All assets of the company including inventories, plant and machineries are adequately insured.

## **ACKNOWLEDGEMENT:**

Yours Directors take this opportunity to thank the Financial Institutions, Banks, Business Associates, Central and State Government authorities, Regulatory authorities, Stock Exchanges and all the various stakeholders for their continued co-operation and support to the Company and look forward to their continued support in future.

We very warmly thank all our employees for their contribution to your Company’s performance.

We applaud them for their superior levels of competence, dedication and commitment to your Company.

For and on behalf of the Board of **Vyapar Industries Limited**

Sd/-

Sd/-

Akil A. Rassai Hussain A. Rassai

Managing Director Joint Chairman

DIN: 00021329

DIN: 00021454

## **Registered Office:**

145, S.V. Road, Khar (W),

Mumbai-400 052.

May 30, 2019

## **ANNEXURE 1**

### **TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2019** **POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT**

#### **Appointment of Directors**

The Nomination and Remuneration Committee (NRC) of the Board of Directors (Board) of the Company reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the NRC shall take into account the following criteria regarding qualifications, positive attributes and also independence of director when Independent Director is to be appointed:

1. All Board appointments will be based on merit, in the context of the skills, experience, diversity, and knowledge, for the Board as a whole to be effective;
2. Ability of the candidates to devote sufficient time and attention to his / her professional obligations as Director for informed and balanced decision making;
3. Adherence to the applicable Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Directors;

Based on the recommendations of the NRC the board will evaluate the candidates and decide on the selection the appropriate member. The Board through the Chairman or the Managing Director will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act, 2013 and Rules made there under.

#### **Removal of Directors**

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations there under or due to non - adherence to the applicable policies of the Company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director subject to the compliance of the applicable statutory provisions.

#### **Senior Management Personnel**

The NRC shall identify persons based on merit, experience and knowledge who may be appointed in senior management team.

Senior Management personnel are appointed or promoted and removed/relieved with the authority of Managing Director & CEO based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed one level below the Key Managerial Personnel during a quarter shall be presented to the Board.

For and on behalf of the Board of **Vyapar Industries Limited**

Sd/-

Akil A. Rassai

Managing Director

DIN: 00021329

## ANNEXURE 2

### **TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019 POLICY FOR REMUNERATION OF THE DIRECTORS**

#### **General**

This Policy sets out the approach to Compensation/remuneration/commission etc. will be determined by Committee and Recommended to the Board of Directors, for approval. Also remuneration to be paid to the Managing Director, other executive directors in accordance with provisions of Companies Act, 2013, and other statutory provisions if any, would require to complying for time being of appointment of such person.

#### **Policy Statement**

The Company has a well-defined Compensation policy for Directors, including the Chairman of the Company. The overall compensation philosophy which guides us to focus on enhancing the value, to attract, to retain and motivate Directors for achieving objectives of Company and to become a major player in market, to be the most trusted brand in the business we operate in and focus on customer serenity through transparency, quality and on time delivery to be a thought leader and establish industry benchmarks in sustainable development.

In order to effectively implement this, the Company has built a compensation structure by a regular annual benchmarking over the years with relevant players across the industry the Company operates in.

#### **Non-Executive Including Independent Directors**

The Nomination and Remuneration Committee (NRC) shall decide the basis for determining the compensation, both fixed and variable, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or Chairmanship of committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV to the Companies Act, 2013 and the LODR with Stock Exchanges and such other factors as the NRC may consider deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolutions.

#### **Managing Director (MD) and Executive Director**

Remuneration of the MD and Executive Directors reflects the overall remuneration philosophy and guiding principle of the Company. While considering the appointment and remuneration of Managing Director and Executive Directors, the NRC shall consider the industry benchmarks, merit and seniority of the person and shall ensure that the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies. The policy aims at a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The remuneration to the MD shall be recommended by NRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as per the policy of the Company from time to time and as approved by the Board and within the overall limits specified in the Shareholders resolution. While the fixed compensation is determined at the time of appointment, the variable compensation will be determined annually by the NRC based on the performance of MD.

The term of office and remuneration of MD is subject to the approval of the Board of Directors, shareholders, and Central Government, as may be required and within the statutory limits laid down in this regard from time to time.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay, subject to the requisite approvals, remuneration to its MD in accordance with the provisions of Schedule V to the Companies Act, 2013

If a MD draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government of the Company.

Remuneration for MD is designed subject to the limits laid down under the Companies Act, 2013 to remunerate him / her fairly and responsibly. The remuneration to the MD comprises of salary, perquisites and benefits as per policy of the Company and performance based incentive apart from retirement benefits like P.F., Superannuation, Gratuity, Leave Encashment, etc. as per Rules Salary is paid within the range approved by the Shareholders. Increments are effective annually, as recommended /approved by the NRC / Board. The MD is entitled for grant of Stock Options as per the approved Stock Options Schemes of the Company from time to time.

### **Directors**

The MD is an executive of the Company and draws remuneration from the Company. The Non-Executive Independent Directors receive sitting fees for attending the meeting of the Board and Committee thereof, as fixed by the Board of Directors from time to time subject to statutory provisions. The Non-Executive Independent Directors would be entitled to the remuneration under the Companies Act, 2013. In addition to the above, the Directors are entitled for reimbursement of expenses incurred in discharge of their duties.

The Company may also grant Stock Options to the eligible employees and Directors (other than Independent Directors) in accordance with the ESOP Schemes of the Company from time to time and subject to the compliance statutes and regulations.

**Disclosures**

Information on the total remuneration of members of the Company's Board of Directors, Managing Director and Executive Directors and KMP/senior management personnel may be disclosed in the Board's report and the Company's annual report / website as per statutory requirements in this regard.

For and on behalf of the Board of **Vyapar Industries Limited**

Sd/-

Akil A. Rassai

Managing Director

DIN: 00021329

**ANNEXURE 3**  
**TO THE DIRECTORS REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019:**  
**POLICY ON REMUNERATION OF KEY MANAGERIAL PERSONNEL AND**  
**EMPLOYEES**

**Objective**

To establish guidelines of remuneration/ compensation/ commission etc. to be paid for employees by way of fairly and in keeping with Statutes, it will be determined by the Nomination & Remuneration committee (NRC) and the NRC will recommend to the Board for approval.

**Standards**

1. All employees, irrespective of contract, are to be paid remuneration fairly and the remuneration is to be externally competitive and internally equitable. The remuneration will be paid in accordance with the laid down Statutes.
2. Remuneration for on-roll employees will include a fixed or guaranteed component payable monthly; and a variable component which is based on performance and paid annually.
3. The fixed component of remuneration will have a flexible component with a bouquet of allowances to enable an employee to choose the allowances as well as the quantum based on laid down limits as per Company policy. The flexible component can be varied only once annually in the month of July, after the salary increment exercise.
4. The variable component of the remuneration will be a function of the employee's grade.
5. The actual pay-out of variable component of the remuneration will be function of individual performance as well as business performance. Business performance is evaluated using a Balance Score Card (BSC) while individual performance is evaluated on Key Result Areas (KRA). Both the BSC & KRAs are evaluated at the end of the fiscal to arrive at the BSC rating of the business and PPS rating of the individual.
6. An Annual compensation survey is carried out to ensure that the Company's compensation is externally competitive. Based on the findings of the survey and the business performance, the committee decides:
  - (i) The increment that needs to be paid for different performance ratings as well as grades.
  - (ii) The increment for promotions and the total maximum increment.
  - (iii) The maximum increase in compensation cost in % and absolute.
  - (iv) Compensation corrections are made in a few cases where it is outside the band or to keep it tune with the market.

For and on behalf of the Board of **Vyapar Industries Limited**

Sd/-

Akil A. Rassai

Managing Director

DIN: 00021329

**ANNEXURE “4” TO BOARD’S REPORT  
As SECRETARIAL AUDIT REPORT**

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019  
*[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,  
**Vyapar Industries Limited**

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

Based on our verification of the **Vyapar Industries Limited’s** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year **ended on 31<sup>st</sup> March, 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not applicable as the Company has not issued ESOPs**



- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable as the Company has not listed its Debt Securities**
- 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 Registrar to an issue and Share Transfer Agent during the financial year under review.**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not applicable as the Company has not bought back any of its securities during the financial year under review.**

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and its authorised representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes that took place in the composition of the Board of Directors during the period under review were in compliance with the provisions of the Act.
2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In case of meetings with shorter notice, the provisions of the Act and Secretarial Standards have been complied with.
3. Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.
4. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

**We further report that** during the audit period the Company has taken approval of shareholders in the 33<sup>rd</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September 2018:

1. For appointment of Ms. Farida Hakim Engineer (DIN 06417865) as an Independent Director.
2. For material related party transactions relating to Leave and License Agreement/Contract entered into with Mr. Akil A. Rassai being the Managing Director of the Company and Mr. Hussain A. Rassai being the Whole Time Director of the Company and sons of Director Mr. Abbas A. Rassai.

**We further report** the Company is compliant as per Regulation 19(2) of the Securities Contracts (Regulation) Rules, 1957 which requires minimum public shareholding of the Company be 25% which had fallen to 24.44% as on 21<sup>st</sup> September, 2017 by offering 34,600 shares for sale by Promoters of the Company.

**For Sherlyn Rebello & Associates  
Company Secretaries**

**Sherlyn Rebello**  
Proprietor  
**ACS No.: 41541**  
**C P No.: 16401**

Place: Mumbai  
Date: 20.06.2019

This report is to be read with our letter which is annexed as **Annexure A** and forms an integral part of this report.

**‘Annexure A’**

To,  
The Members,  
**Vyapar Industries Limited**

Our report is to be read along with this letter.

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

**For Sherlyn Rebello & Associates  
Company Secretaries**

**Sherlyn Rebello**  
Proprietor  
**ACS No.: 41541**  
**C P No.: 16401**

Place: Mumbai  
Date: 20.06.2019

**ANNEXURE “5” TO BOARD’S REPORT**

**FORM AOC– 2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm’s length transaction under third proviso is given below:

**CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES.**

The particulars of Contracts or Arrangements with related parties along with justification of these contracts, pursuant to requirements of Section 134 (h) and 188 (2) of the Companies Act, 2013 is given hereunder.

1. Details of contracts or arrangements or transactions not at arm’s length basis

| Sr . No. | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date(s) of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 |
|----------|---|---|---|--|--|----------------------------------|---------------------------------|---|
| 1        | Nil   |   |   |  |  |                                  |                                 |   |

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

| Sr . No. | Name(s) of the related party and nature of relationship  | Nature of contracts / arrangements / transactions   | Duration of the contracts / arrangements / transactions   | Salient terms of the contracts or arrangements or transactions including the value, if any   | Date(s) of approval by the Board | Amount paid as advances, if any  |
|----------|--|---|---|--|----------------------------------|--|
| 1        | Mr. Akil A. Rassai Managing Director of the Company and Mr. Hussain A. Rassai, Whole Time Director of the Company designated as Joint Chairman of the Company are owner of premises and are also sons of Director Mr. Abbas A. Rassai. | Leasing of present Registered office 145, S.V. Road, Khar (W), Mumbai-400052 from Mr. Akil A. Rassai & Mr. Hussain A. Rassai, being owner of property. Rent: Rs.2,40,000/- Per Annum and Security Deposit: Rs.72,00,000/- | From April 01, 2018 till the date of 38 <sup>th</sup> Annual General Meeting to be held in Calendar Year 2023Leasing of present Registered office 145, S.V. Road, Khar (W), Mumbai-400052 | Leasing of present Registered office 145, S.V. Road, Khar (W), Mumbai-400052 from Mr. Akil A. Rassai & Mr. Hussain A. Rassai, being owner of property. Rent: Rs.2,40,000/- Per Annum and Refundable Security Deposit: Rs.72,00,000/- | 30.05.2018                       | Rent: Rs.20,000 per month payable Rs.10,000 each to Mr. Akil A. Rassai& Mr. Hussain A. Rassai respectively. Refundable Security Deposit:Rs.36,00,000/- each to Mr. Akil A. Rassai & Mr. Hussain A. Rassai. |

**ANNEXURE “6” TO BOARD’S REPORT**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2019**

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

**I. REGISTRATION AND OTHER DETAILS:**

1. CIN: L65990MH1983PLC029875
2. Registration Date: 27/02/1983
3. Name of the Company: **VYAPAR INDUSTRIES LIMITED**
4. Category / Sub-category of the Company: Company Limited by Shares  
Address of the Registered office and contact details: 145, S.V. Road, Khar (W), Mumbai – 400 052, Tel No. 022 66989111 Fax No. 022 – 2266987010 **E-Mail: [vyapar@vyaparindustries.com](mailto:vyapar@vyaparindustries.com)** Website: [www.vyaparindustries.in](http://www.vyaparindustries.in)  
under [http:// www.vyaparindustries.in/policies link](http://www.vyaparindustries.in/policies link).
5. Whether listed Company: Yes
6. Name, Address and contact details of Registrar and Transfer Agent, if any: Bigshare Services Pvt Ltd, 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai - 400 059. **Tel.No.:** 022 –62638200 **Fax No. :** 022 –62638299 **E-Mail :** bigshare@bom7.vsnl.net.in

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

Company is engaged in to the activity of wholesale Yarn Trading.

**III. Particulars of Holding, Subsidiary and Associates Companies:-**

| Sr. No | Name & Address of the Company | CIN/GIN | Holding / Subsidiary / Associates | % of Shares held | Applicable Section |
|--------|-------------------------------|---------|-----------------------------------|------------------|--------------------|
| N.A    |                               |         |                                   |                  |                    |

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

**i) Category-wise Shareholding:**

|            | Category of Shareholders                                   | Number of shares held as at 1st April, 2018 |          |                |                   | Number of shares held as at 1st April, 2019 |          |                |                   | % change during the year |
|------------|--|---|----------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
|            |  | Demat                                       | Physical | Total          | % of total shares | Demat                                       | Physical | Total          | % of total shares | % of total shares        |
| <b>(A)</b> | <b>Promoters</b>   |   |          |                |                   |   |          |                |                   |                          |
| <b>(1)</b> | <b>Indian</b>  |   |          |                |                   |   |          |                |                   |                          |
| a)         | Individual / HUF Central                                   | 4633588                                     | 0        | 4633588        | 75.56             | 4598988                                     | 0        | 4598988        | 75.00             | -0.56                    |
| b)         | Government State   | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
| c)         | Government(s) Bodies                                       | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
| d)         | Corporate Banks/ Financial                                 | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
| e)         | Institutions Any   | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
| f)         | Others(Specify)  | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
|            | <b>Sub- Total (A)(1)</b>                                   | <b>4633588</b>                              | <b>0</b> | <b>4633588</b> | <b>75.56</b>      | <b>4598988</b>                              | <b>0</b> | <b>4598988</b> | <b>75.00</b>      | <b>-0.56</b>             |
| <b>(2)</b> | <b>Foreign</b>   |   |          |                |                   |   |          |                |                   |                          |
| a)         | NRI Individuals Other                                      | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
| b)         | Individuals Bodies   | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
| c)         | Corporate Banks/ Financial                                 | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
| d)         | Institutions Any Other                                     | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
| e)         |  | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |
|            | <b>Sub- Total (A)(2)</b>                                   | <b>0</b>                                    | <b>0</b> | <b>0</b>       | <b>0</b>          | <b>0</b>                                    | <b>0</b> | <b>0</b>       | <b>0</b>          |                          |
|            | <b>Total shareholding of Promoters (A) = (A)(1)+(A)(2)</b> | <b>4633588</b>                              | <b>0</b> | <b>4633588</b> | <b>75.56</b>      | <b>4598988</b>                              | <b>0</b> | <b>4598988</b> | <b>75.00</b>      | <b>-0.56</b>             |
|            |  |   |          |                |                   |   |          |                |                   |                          |
| <b>(B)</b> | <b>Public shareholding</b>                                 |   |          |                |                   |   |          |                |                   |                          |
| <b>(1)</b> | <b>Institutions</b>  |   |          |                |                   |   |          |                |                   |                          |
| a)         | Mutual Funds/ UTI  | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 |                          |

|            |   |                |             |                |               |                |           |                |              |              |
|------------|---|----------------|-------------|----------------|---------------|----------------|-----------|----------------|--------------|--------------|
| b)         | Banks/<br>Financial<br>Institutions<br>Central  | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
| c)         | Government<br>State   | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
| d)         | Government(s)<br>Venture Capital  | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
| e)         | Funds   | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
| f)         | Insurance<br>Companies  | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
| g)         | Foreign<br>Institutional<br>investors(FII)  | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
| h)         | Foreign Venture<br>Capital Funds  | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
| i)         | Any<br>Other(specify)   | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
|            |   | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            |              |
| <b>(1)</b> | <b>Non-<br/>Institutions<br/>Bodies</b>   |                |             |                |               |                |           |                |              |              |
| a)         | Corporate   |                |             |                |               |                |           |                |              |              |
|            | i) Indian   | 278483         | 0           | 278483         | 04.54         | 344195         | 0         | 344195         | 05.61        | +1.07        |
|            | ii) Overseas  |                |             |                |               |                |           |                |              |              |
| b)         | Individual  |                |             |                |               |                |           |                |              |              |
|            | i) Individual<br>shareholders<br>holding nominal<br>share capital<br>upto Rs. 2 lakh            | 482265         | 4519        | 486784         | 7.94          | 477177         | 19        | 477196         | 7.78         | -0.16        |
|            | ii) Individual<br>shareholders<br>holding nominal<br>share capital in<br>excess of Rs.2<br>lakh | 346580         | 0           | 346580         | 5.65          | 323000         | 0         | 323000         | 5.27         | -0.38        |
| c)         | Others  |                |             |                |               |                |           |                |              |              |
|            | i) Non-Resident<br>Indians  | 386565         | 0           | 386565         | 6.31          | 386565         | 0         | 386565         | 6.31         | 0.00         |
|            | ii) Clearing<br>Members   | 0              | 0           | 0              | 0.00          | 2056           | 0         | 2056           | 0.03         | +0.03        |
|            | iii) Directors<br>and their<br>relatives  |                |             |                |               |                |           |                |              |              |
|            | iv) Hindu<br>Undivided<br>Families  |                |             |                |               |                |           |                |              |              |
|            | v) Trusts   |                |             |                |               |                |           |                |              |              |
|            | <b>Sub- Total<br/>(B)(2)</b>  | <b>1493893</b> | <b>4519</b> | <b>1498412</b> | <b>24.44</b>  | <b>1532993</b> | <b>19</b> | <b>1533012</b> | <b>25.00</b> | <b>+0.56</b> |
|            | <b>Total<br/>shareholding<br/>of Promoters<br/>(B)<br/>=</b><br><b>(B)(1)+(B)(2)</b>            | <b>6127481</b> | <b>4519</b> | <b>6132000</b> | <b>100.00</b> | <b>6131981</b> | <b>19</b> | <b>6132000</b> | <b>100.0</b> | <b>100.0</b> |



|     |   |                |             |                |               |                |           |                |              |              |
|-----|---|----------------|-------------|----------------|---------------|----------------|-----------|----------------|--------------|--------------|
| (C) | Shares held by Custodians for GDRs and ADRs | 0              | 0           | 0              | 0             | 0              | 0         | 0              | 0            | 0            |
|     | <b>Grand Total (A+B+C)</b>                  | <b>6127481</b> | <b>4519</b> | <b>6132000</b> | <b>100.00</b> | <b>6131981</b> | <b>19</b> | <b>6132000</b> | <b>100.0</b> | <b>100.0</b> |

**V. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

| Sr. No | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|--------|---------------------------------|---------|--------------------------------|------------------|--------------------|
|        | Nil                             |         |                                |                  |                    |

**Notes:**

- a. Amounts shown as “0.00” above are not Nil, but rounded off to 2 decimals.
  - b. In case of joint holding, the name of the first holder is considered.
  - c. No shares of promoters have been pledged or encumbered as of 1<sup>st</sup> April 2018 or 31<sup>st</sup> March, 2019 or during the year ended 31<sup>st</sup> March, 2019.
  - d. There is change in the shareholding of promoters; promoters shareholding as at 31<sup>st</sup> March, 2018 was 46,33,588 compared to 45,98,988 shares on 1<sup>st</sup> April 2019.
- ii) Shareholding pattern of top ten shareholders ( other than directors, Promoters and holders of GDRs and ADRs)
- iii) Change in Promoters’ Shareholding:

**Shareholding of Promoters**

| Sl. No | Shareholder’s Name | Shareholding at the beginning of the year 01.04.2018 |                                  |  | Shareholding at the end of the year 31.03.2019 |                                  |   | % change in share holding during the year |
|--------|--------------------|--|----------------------------------|--|--|----------------------------------|---|---|
|        |                    | No. of Shares  | % of total shares of the company | % of shares Pledged/ encumb ered to total shares | No. of Shares                                  | % of total shares of the company | % of shares Pledge d/encu mbere d to total shares |   |
| 1      | Hussain A. Rassai  | 2238286  | 36.51                            | -  | 2220986  | 36.23                            | -   | -0.28 %                                   |
| 2      | Akil A. Rassai     | 2238286  | 36.51                            | -  | 2220986  | 36.23                            | -   | -0.28 %                                   |
| 3      | Abbas A. Rassai    | 99191  | 1.61                             | -  | 99191  | 1.61                             | -   | 0.00 %                                    |
| 4      | Shamima A. Rassai  | 3375   | 0.05                             | -  | 3375   | 0.05                             | -   | 0.00 %                                    |
| 5      | Yakuta H. Rassai   | 27225  | 0.44                             | -  | 27225  | 0.44                             | -   | 0.00 %                                    |
| 6      | Sakina A. Rassai   | 27225  | 0.44                             | -  | 27225  | 0.44                             | -   | 0.00 %                                    |
|        | <b>Total</b>       | <b>4633588</b>                                       | <b>75.56</b>                     | <b>-</b>   | <b>4598988</b>                                 | <b>75.00</b>                     | <b>-</b>  | <b>-0.56 %</b>                            |

**Change in Promoters' Shareholding (Please specify, if there is no change)**

| Sl. No. |   | Shareholding at the beginning of the year 01.04.2018  |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|---|----------------------------------|---|----------------------------------|
|         |   | No. of shares   | % of total shares of the company | No. of Shares                           | % of total shares of the company |
|         | At the beginning of the year  | 4633588   | 75.56                            | 4598988                                 | 75.00                            |
|         | Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus / sweat equity etc.) | The Company has only one class of equity shares having a par value of Rs.10/- per share. During the year there was change in promoters shares as Promoters have sold their 34,600 shares in Offer for sale during the year. |                                  |   |                                  |
|         | At the end of the year  | 4633588   | 75.56                            | 4598988                                 | 75.00                            |

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

| SI No. | Top 10 shareholders            | Share Holding at the beginning of the year |                                  | Increase / Decrease In shareholding comparing between 2018 and 2019 | Cumulative Shareholding during the year |   | Reason                   |
|--------|--------------------------------|--|----------------------------------|---|---|---|--------------------------|
|        |                                | 31-03-18                                   |                                  |   | 31-03-19                                |   |                          |
|        |                                | No. of Shares                              | % of Total Shares of the company |   | No. of Shares                           | % change in share holding during the year |                          |
| 1      | Marconi Investment Private Ltd | 227476                                     | 3.71 %                           | +63785  | 291261                                  | 4.75 %                                    | Purchased in the market. |
| 2      | Yusuf Halela                   | 382250                                     | 6.23 %                           | 0   | 382250                                  | 6.23 %                                    | No change                |
| 3      | Yusuf Asgerali Halela          | 122000                                     | 1.99 %                           | 0   | 122000                                  | 1.99 %                                    | Do                       |
| 4      | Moiz Asgerali Halela           | 98000                                      | 1.60                             | 0   | 98000                                   | 1.60                                      | Do                       |

|    |                              |       |       |        |       |       |                    |
|----|------------------------------|-------|-------|--------|-------|-------|--------------------|
| 5  | Tayeb Asgerali Halela        | 63000 | 01.03 | 0      | 63000 | 01.03 | Do                 |
| 6  | Mustafa Tayab Halela         | 40000 | 0.65  | 0      | 40000 | 0.65  | Do                 |
| 7  | Salins Commodities Pvt. Ltd. | 25000 | 0.41  | 0      | 25000 | 0.41  | Do                 |
| 8  | O P Bhandari                 | 20000 | 0.33  | 0      | 20000 | 0.33  | Do                 |
| 9  | Sunil Shroff                 | 19580 | 0.32  | -19580 | 0     | 0.00  | Sold in the Market |
| 10 | Priya Bhansali               | 17149 | 0.28  | 0      | 17149 | 0.28  | Do                 |

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

| Sl. No. | Name              | Shareholding at the beginning of the year 01.04.2018                     |                                  | Date of Transaction      | Increase / Decrease in shareholding | Reason                 | Cumulative Shareholding during at the end of the year 31.03.2019 |                                  |
|---------|-------------------|--|----------------------------------|--------------------------|-------------------------------------|------------------------|--|----------------------------------|
|         |                   | No. of shares at the beginning (01.04.2018) / end of the year 31.03.2018 | % of total Shares of the Company |                          |                                     |                        | No. of shares  | % of total Shares of the Company |
| 1.      | Hussain A. Rassai | 2238286  | 36.50                            | 05.06.2018 to 06.06.2018 | 17,300                              | Sold in Offer for Sale | 2220986  | 36.22                            |
| 1.      | Akil A. Rassai    | 2238286  | 36.50                            | 05.06.2018 to 06.06.2018 | 7,15,630                            | Sold in Offer for Sale | 4441972  | 72.44                            |
| 3.      | Abbas A. Rassai   | 99191  | 1.21                             |                          | 0                                   | Nil                    | 4541163  | 74.05                            |

There was change in the shareholding of Promoters during the period from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019.

**Notes:**

- a. In case of joint holding, the name of the first holder is considered.
- b. There is no fresh allotment/reduction of share capital during the year by the Company. The increase/decrease in shareholding above is due to transactions between shareholders.
- c. The shareholding details given above are based on the legal ownership and not beneficial ownership and is derived based on the folio number listing provided by the Registrar and Transfer agent of the Company.

**iv) INDEBTEDNESS:**

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

**(Rs. In Lacs)**

|   | <b>Secured Loans excluding deposits</b> | <b>Unsecured Loans</b> | <b>Deposits</b> | <b>Total Indebtedness</b> |
|---|---|------------------------|-----------------|---------------------------|
| Indebtedness at the beginning of the financial year     | Nil                                     | Nil                    |                 |                           |
| i) Principal Amount                                     |   |                        | 26.70           | 26.70                     |
| ii) Interest due but not paid                           |   |                        | -               | -                         |
| iii) Interest accrued but not due                       |   |                        | -               | -                         |
| iv) Cash Credit Account                                 |   |                        |                 | -                         |
| <b>Total (i+ii+iii+iv)</b>                              | Nil                                     | Nil                    | 26.70           | 26.70                     |
| <b>Change in Indebtedness during the financial year</b> | Nil                                     | Nil                    |                 |                           |
| o Addition  |   |                        | -               | -                         |
| o Reduction   |   |                        | -               | -                         |
| <b>Net Change</b>                                       | Nil                                     | Nil                    | -               | -                         |
| Indebtedness at the end of the financial year           | Nil                                     | Nil                    |                 |                           |
| v) Principal Amount                                     |   |                        | 26.70           | 26.70                     |
| vi) Interest due but not paid                           |   |                        | -               | -                         |
| vii) Interest accrued but not due                       |   |                        | -               | -                         |
| viii) Cash Credit Account                               |   |                        |                 | -                         |

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

| Sr No. | Particulars of Remuneration   | Name of MD/WTD/Manager |                       |                    |                    |   | Total Amount |
|--------|---|------------------------|-----------------------|--------------------|--------------------|---|--------------|
|        |   | Mr. Abbas Rassai       | Mr. Hussain A. Rassai | Mr. Akil A. Rassai | Ms. Shabana Mistry | Mr. Anil Singla                                       | Total        |
| 1.     | Gross Salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.<br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961.<br>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961. | Rs.Nil                 | Rs.Nil                | Rs.Nil             | Rs.1,62,160        | 3,04,920  | Rs.4,67,080  |
| 2.     | Stock Option  | Nil                    | Nil                   | Nil                | Nil                |   | Nil          |
| 3.     | Sweat Equity  | Nil                    | Nil                   | Nil                | Nil                |   | Nil          |
| 4.     | Commission<br>- as % of profit<br>- others, specify ..  | Nil                    | Nil                   | Nil                | Nil                |   | Nil          |
| 5.     | Others, please specify (Incentive & Bonus)  | Nil                    | Nil                   | Nil                | Nil                |   | Nil          |
|        | Total (A)   | Rs.Nil                 | Rs.Nil                | Rs.Nil             | Rs.1,62,160        | 3,04,920  | Rs.4,67,080  |
|        | Ceiling as per the Act  | Rs.42 Lakhs            |                       |                    |                    | 10% of Net Profit of the Company or as per Schedule V |              |

**B. Remuneration to other directors:-**

| Sr, No | Particulars of Remuneration   | Name of Directors            |                             |   |                                 | Total Amount |
|--------|---|------------------------------|-----------------------------|---|---------------------------------|--------------|
|        | <b>1. Independent Directors</b>   | <b>Mr.Ramesh W. Lalwaney</b> | <b>Mr.Parvez M. Mastter</b> | <b>Mrs. Farida Engineer</b>                           | <b>Mr.Hussain M. Cementwala</b> |              |
|        | o Fee for attending board/ committee meetings<br>o Commission<br>o Others, please specify | Rs. Nil                      | Rs. Nil                     | Rs. Nil   | Rs. Nil                         | Rs. Nil      |
|        | Total (1)   | Rs. Nil                      | Rs. Nil                     | Rs. Nil   | Rs. Nil                         | Rs. Nil      |
|        | <b>2. Other Non-Executive Directors</b>   | Rs. Nil                      | Rs. Nil                     | Rs. Nil   | Rs. Nil                         | Rs. Nil      |
|        | o Fee for attending board/ committee meetings<br>o Commission<br>o Others, please specify | Rs. Nil                      | Rs. Nil                     | Rs. Nil   | Rs. Nil                         | Rs. Nil      |
|        | Total (2)   | Rs. Nil                      | Rs. Nil                     | Rs. Nil   | Rs. Nil                         | Rs. Nil      |
|        | Total (B)=(1+2)   | Rs. Nil                      | Rs. Nil                     | Rs. Nil   | Rs. Nil                         | Rs. Nil      |
|        | Total Managerial Remuneration   | Rs. Nil                      | Rs. Nil                     | Rs. Nil   | Rs. Nil                         | Rs. Nil      |
|        | Ceiling as per the Act  | Rs.42 Lakhs                  |                             | 11% of Net Profit of the Company or as per Schedule V |                                 |              |

**vi) 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**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each key Managerial Personnel(KMP) against the performance of the Company are as under:
- ii. Ratio of remuneration of each director to the median remuneration of the Employee of the company for the Financial Year-2018-2019

| S No. | Name                     | Category          | Remuneration    | Median Remuneration | Ratio |
|-------|--------------------------|-------------------|-----------------|---------------------|-------|
| 1.    | Mr. Ramesh Lalwaney      | Chairman          | NIL             | 277653              | N.A   |
| 2.    | Mr. Abbas A. Rassai      | Director          | NIL             | 277653              | N.A   |
| 3.    | Mr. Hussain A. Rassai    | Joint Chairman    | NIL             | 277653              | N.A   |
| 4.    | Mr. Akil A. Rassai       | Managing Director | NIL             | 277653              | N.A   |
| 5.    | Mr. Hussan M. Cementwala | Director          | NIL             | 277653              | N.A   |
| 6.    | Mr. Parvez Master        | Director          | NIL             | 277653              | N.A   |
| 7.    | Mrs. Farida Engineer     | Director          | NIL             | 277653              | N.A   |
| 8.    | Ms. ShabanaMistry        | Director & CFO    | <b>1,62,120</b> | 277653              | 0.58  |
| 9.    | Mr. Anil Kumar Singla    | Company Secretary | <b>3,04,920</b> | 277653              | 1.09  |

**Notes:**

- i. The median remuneration of the employees of the company during the financial year was Rs. 2,77,653.
- ii. Nature of employment of MD/CEO is contractual, subject to termination by 3 months notice from either side.
- iii. For other employees nature of employment is contractual, subject to termination by One or three month notice from either side or salary in lieu of notice period.
- iv. None of the above employee except to the Abbas A. Rassai, Director, Mr. Hussain A. Rassai, Joint Chairman and Mr. Akil A. Rassai, Managing Director holds by himself or along with his spouse and dependent children 2% or more of the equity shares of the Company.
- v. Employment terms and conditions are as per Company's Rules.
- vi. Remuneration received as shown in the statement above includes basic salary and all other allowances/perquisites as applicable.
- vii. In the financial year, there was an increase of 1.20% in the median remuneration of employees,
- viii. There were Five permanent employees on the rolls of Company as on March 31, 2019.
- ix. There were no average percentile increase in the salaries of employees other than the managerial personnel in the financial year;
- x. Disclosure under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There are no employees appointed by the Company who were in receipt of remuneration of Rs. 1.20 Crores or more per Annum employed throughout the year and Rs. 8.50 Lakhs or more Per Month employed for part of the year.

Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the names of top ten employees in terms of remuneration drawn is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during business hours on working days upto the date of ensuing Annual General Meeting and shall also be made available on the website of the Company post AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

For and on behalf of the Board of **Vyapar Industries Limited**

|                   |                   |
|-------------------|-------------------|
| Sd/-              | Sd/-              |
| Akil A. Rassai    | Hussain A. Rassai |
| Managing Director | Joint Chairman    |
| DIN: 00021329     | DIN: 00021454     |

**Registered Office:**

145, S.V. Road, Khar (W),  
Mumbai-400 052.  
May 30, 2019



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### India – Today

India today, is a fast emerging economic super power. With a population of a strong 300 million and the world's largest middle class population, it unleashes the latent strength of popular consumerism while reshaping both business & the way of life. With the surging trend in all sectors, International Trade Journals have rightly billed India as one of the fastest growing economies in the world. Strong and buoyant demand, increasing purchasing power in the hands of younger population and overall structural and inclusive growth on the macro-economic front acted as external impetus' contributing to this growth.

#### A. INDUSTRY OVERVIEW

##### India –Heritage in Textiles

1.Indian textiles have a legendary heritage through the ages. Some of the best attires of Greeks & Romans were draped with Indian textiles. European settlers exchanged silver & gold for Indian textiles, which became the fashion statement of the period. Calico, Pajamas, Gingham, Dungaree, Chintz & Khaki – these apparel names are Indian contributions to the English language.

#### 1. Indian Textile Industry – An overview

- 1.1 The Polyester/ Viscose industry is one of the key industries in the Indian economy and India is today one of the leading countries in the world as far as trade is concerned. Though new opportunities are rapidly emerging India's future position will largely depend on how effectively the Industry and Government are able to resolve core issues and take advantage of an increasingly fragmented industry structure. The Industry, which is one of the oldest in existence, has promoted economic development even in far-flung areas of the country, both urban and rural. Three of the highly developed metropolises of Modern India like Mumbai, Surat and Ahmadabad grown over the years have the main business base of textile industry.
- 1.2 Thanks to the fast growing consumer class and increasing disposable incomes, per capita domestic consumption of textiles & apparels is expected to have a good volume growth.
- 1.3 India's cotton textile & garment industry has immense export potential. Cost competitiveness backed by international quality is driving the penetration of Indian basic yarns and grey fabrics in global commodity market, as a result of which apparels can be manufactured in relatively small batch lots. This flexibility offers larger variety of casual wear and leisure garments at cost effective levels.
- 1.4 Besides natural fibers like cotton, jute & silk, synthetic raw material products such as polyester staple fiber, polyester filament yarn, acrylic fiber and viscose fiber are produced in a mass scale. That presents the wide canvas of the Indian textile scene with wider opportunities.

#### B. INDUSTRY STRUCTURE AND DEVELOPMENT:

Great changes are taking place in the global industry, and as the company has established its position in the Indian Economy and also restructuring itself to fit in the competitive market.

Polyester markets faced challenges during the year as capacity growth outpaced demand growth. The global overcapacity has forced a few large producers to shut operations at some in USA and Europe in past years.

Company turnover has shown decrease in turnover in comparison to last year. The Company do not have any turnover during the First Quarter of the current Financial year 2019-20.

**C. FUTURE PROSPECT / BUSINESS PLANS OF THE COMPANY**

During the year Yarn & Thread, was the thrust areas of business for the Company. The Company's Yarn and thread products are very well accepted due to the ISO certification, quality improvement and timely delivery policy. The company has concentrated on its goals of consolidating and strengthening its marketing network, delivering quality products and cutting cost wherever possible. Company is considering venturing into some other profitable line of business.

**D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected against any loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company's internal control systems are periodically reviewed by the management together with the Audit Committee of the Board. The emphasis of internal control prevails across functions and processes, covering the entire gamut of activities including finance, supply chain, distribution, marketing etc.

**F. HUMAN RESOURCES DEVELOPMENT/INDUSTRIAL RELATIONS:**

The Company recognizes the need for continuous growth and development of its employees in order to provide greater job satisfaction and also to equip them to meet growing organizational challenges. Industrial relations have continued to be harmonious at all units throughout the year. Measures for safety of employees, Welfare and development continue to receive top priorities.

**G. RESEARCH & DEVELOPMENT**

The company has been carrying out research and development in the following specific areas.

1. To improve the breaking strength and tenacity of the thread.
2. To reduce the elongation on the thread.
3. To reduce the shrinkage of the thread.
4. To make the yarn anti-microbial.
5. To make the yarn fire resistant.

**H. THE FINANCIAL AND OPERATIONAL PERFORMANCE:**

The financial statement is in confirmation with provisions of the Companies Act, 2013 and applicable accounting standard recommended by the Institute of Chartered Accountants of India. The financial statement reflects the genuine desire for the transparency and best judgment for the estimates made on prudent and reasonable bases to correctly reflect the true and fair affairs of the company.

**I. SEGMENT WISE PERFORMANCE:**

Presently, company is dealing in single segment activity namely Wholesale Yarn Trading activity.

**J. CAUTIONARY STATEMENT:**

Statements in this report on Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable security laws and regulations. These statements are based on certain assumptions

and expectations of future events. Actual results could however differ materially from those expressed or implied.

Important factors that could make a difference to the company's operation include demand and supply conditions, finished good prices, raw materials cost and availability, changes in Government regulation and tax structure, economic developments within India and the countries with which the company has business contacts and other factors such as litigations, Industrial relations of India and compensation paid during the year.

The Company assumes no responsibility in respect of forwarded looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events of the Company.

For and on behalf of the Board of **Vyapar Industries Limited**

Sd/-

Akil A. Rassai  
Managing Director  
DIN: 00021329

Sd/-

Hussain A. Rassai  
Joint Chairman  
DIN: 00021454

**Registered Office:**

145, S.V. Road, Khar (W),  
Mumbai-400 052.  
May 30, 2019

**SECRETARIAL COMPLIANCE REPORT OF VYAPAR INDUSTRIES LIMITED FOR  
THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

To

**VYAPAR INDUSTRIES LIMITED**

145 S V Road, Opp Khar Police Station,  
Khar West, Mumbai – 400054.

**We, Sherlyn Rebello & Associates have examined:**

- (a) all the documents and records made available to us and explanation provided by Vyapar Industries Limited (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended on 31<sup>st</sup> March, 2019 (**Review Period**) in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; \*
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) All other regulations and circulars / guidelines issued and as applicable to the Company from time to time

*\* The Company has provided necessary disclosures, however, relevant tabs are not selected for certain filings.*

**and based on the above examination, We, hereby report that, during the Review Period:**

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder as applicable to them.
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- (c) There are no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.
- (d) This being the first reporting since the notification of the requirement to submit this report, reporting on actions to comply with the observations made in previous reports does not arise.

**For SHERLYN REBELLO & ASSOCIATES**

**Company Secretaries**

**Sherlyn Rebello**

Proprietor

**ACS No.: 41541**

**C P No.: 16401**

Place: Mumbai

Date: 30.05.2019

## Corporate Governance Report

### CORPORATE GOVERNANCE PHILOSOPHY

Your Company is committed to good Corporate Governance and endeavors to implement the Code of Corporate Governance in its true spirit.

The philosophy of your Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and enhance shareholder value without compromising in any way in compliance with laws and regulations.

Your Company believes that good governance brings about sustained corporate growth and long term benefits for stakeholders. Your Company continues to follow procedures and practices in conformity with the Code of Corporate Governance as enunciated in the Listing Agreement. Details of the implementation of the Code follow in the paragraphs below.

### I. BOARD OF DIRECTORS

The Board of Directors monitors performance of the Company, approves and reviews policies/strategies and evaluates management performance. The Board ensures legal and ethical conduct and accurate financial reporting.

The Company as on 31<sup>st</sup> March, 2019 has six Directors, two Promoter Directors, One Executive Women Director and three Non – Executive, Independent Directors who are professionals, with expertise and experience in general corporate management, finance, legal and other allied fields.

The Senior Management has made disclosure to the Board confirming that there are no material, financial and /or commercial transactions between them and the Company which would have potential conflict of interest with the Company at large.

#### A. The Constitution of the Board:

| Name of Director   | Director of public Companies * | Membership in Committee # | Chairmanship in Committee |
|--|--------------------------------|---------------------------|---------------------------|
| Mr. Ramesh W. Lalwaney<br>(Independent Non-Executive Chairman) | 1                              | 3                         | 1                         |
| !Mr. Abbas A. Rassai<br>(Non-Executive Director)               | 1                              | -                         | -                         |
| Mr. Hussain Rassai<br>(Executive Joint Chairman)               | 2                              | 1                         | -                         |
| Mr. Akil A. Rassai<br>(Managing Director)                      | 2                              | -                         | -                         |
| **Mr. Parvez A.Master<br>(Independent Director)                | 1                              | 2                         | 1                         |
| Mr. Hussain Murtuza<br>Cementwala<br>(Independent Director)    | 2                              | 3                         | 2                         |
| *!! Ms. Shabana Mistry<br>(Executive Director /C.F.O)          | 1                              | -                         | -                         |
| *!Mrs. Farida H. Engineer<br>(Independent Director)            | 1                              | 2                         | -                         |

! Resigned on 29.03.2019 and was reappointed as Non Independent Non Executive Director Designated as Chairman of the Company on 30.05.2019.

\*\* Resigned on 10<sup>th</sup> August, 2018.

\*! Appointed on 27.08.2018 as Independent Non Executive Director.

\*!! Resigned on 30.05.2019 as Director but will continue as C.F.O of Company.

\* including Directorship in Vyapar Industries Limited.

# Committees considered are Audit Committee, Stakeholders Relationship Committee & Nomination & Remuneration Committee including in Vyapar Industries Limited.

Non-executive Directors of the Company do not hold any shares of the Company.

None of the Directors of the Company are related except Mr. Hussain A. Rassai, Joint Chairman and Mr. Akil A. Rassai, Managing Director of the Company who are brothers and are also son of Mr. Abbas A. Rassai, Director of the Company.

As mandated by the LODR16(1)(b), the independent Directors on the Company's Board means a non-executive director, other than a nominee director of the listed entity:

- (i) who, in the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;
- (ii) who is or was not a promoter of the listed entity or its holding, subsidiary or associate company;
- (iii) who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;
- (iv) who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (v) none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (vi) who, neither himself, nor whose relative(s) —
- (A) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- (B) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
- (1) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
- (2) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
- (C) holds together with his relatives two per cent or more of the total voting power of the listed entity; or
- (D) is a chief executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;
- (E) is a material supplier, service provider or customer or a lessor or lessee of the listed entity;
- (vii) who is not less than 21 years of age.

**B. Board Procedure**

A detailed agenda folder is sent to each Director in advance of Board and Committee Meetings. To enable the Board to discharge its responsibility effectively, the Chairman of the Company briefs the Board at every Meeting on the overall performance of the Company. A detailed functional report is also placed at every Board Meeting. Amongst other things, the Board also reviews strategy and business plans, annual operating and capital expenditure budgets, compliance with statutory/ regulatory requirements and review of major legal issues, adoption of quarter/half-yearly/annual results, risk management policies, investor’s grievances, minutes, major accounting provisions and write-offs, corporate restructuring, minutes of meetings of the Audit Committee and Committee of Directors of the Board, etc.

**C. Attendance of the Directors at Meetings of the Board.**

The Board of Directors meets at least once a quarter to review the Company’s performance and financial results and more often, if necessary, to transact other businesses.

During the financial year 2018-19, the Board met on 01<sup>st</sup> April, 15<sup>th</sup> May, 30<sup>th</sup> May, 14<sup>th</sup> July, 10<sup>th</sup> August, 21<sup>st</sup> August, 27<sup>th</sup> August, 18<sup>th</sup> September, 12<sup>th</sup> November, 30<sup>th</sup> November, all in 2018 and 09<sup>th</sup> January, 13<sup>th</sup> February, 22<sup>nd</sup> February, 29<sup>th</sup> March in 2019.

The 33<sup>rd</sup> Annual General Meeting was held on September 29, 2018.

The attendance of the Directors at these meetings is as under:

| Director                  | No. of Board Meetings | Attendance at the last AGM |
|---------------------------|-----------------------|----------------------------|
| *Mr. Abbas A.Rassai       | 13                    | Yes                        |
| Mr. Hussain A.Rassai      | 14                    | Yes                        |
| Mr. AkilA.Rassai          | 14                    | Yes                        |
| Mr. Ramesh W. Lalwaney    | 14                    | -                          |
| **Mr. Parvez A. Master    | 5                     | -                          |
| Mr. Hussain M. Cementwala | 14                    | Yes                        |
| *!Mrs. Farida H. Engineer | 8                     | -                          |
| *!!Ms. Shabana Mistry     | 14                    | No                         |

\* Resigned on 29.03.2019 and was reappointed as Non Independent Non Executive Director Designated as Chairman of the Company on 30.05.2019.

\*\* Resigned on 10<sup>th</sup> August, 2018.

\*! Appointed on 27.08.2018 as Independent Non Executive Director.

\*!! Resigned on 30.05.2019 as Director but will continue as C.F.O of Company.

**D. Directors Seeking Appointment/Re-appointment**

Mr. Akil A. Rassai and Mr. Hussain A. Rassai retire by rotation and, being eligible offer themselves for re-appointment.

Mr. Ramesh W. Lalwaney and Mr. Hussain Cementwala seeks reappointment as Non Executive Independent Director for a period of five years from 30.09.2019 to 29.09.2024.

**MEETING OF INDEPENDENT DIRECTORS**

The Meeting of Independent Directors was held on Friday, 29<sup>th</sup> March 2019 for performance evaluation of the Non – Independent Directors, Board as whole, committees thereof and the Chairperson of the Company.



### FAMILIARISATION OF INDEPENDENT DIRECTORS

The details of familiarization programme for Independent Directors have been disclosed on website of the Company. Pursuant to the provisions of the Companies act 2013 and SEBI (Listing Obligation and Disclosure Requirements) 2015, evaluation of every Director's performance was done by the Nomination and Remuneration Committee. Evaluation of the Independent Directors was carried out by the entire Board of Directors, excluding the Directors being evaluated. A structured questionnaire was prepared after circulating the draft norms, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regard to skill, experience, independence, diversity, attendance and adequacy of time given by the directors to discharge their duties, Corporate Governance practices etc. The Directors expressed their satisfaction with the evaluation process.

### AUDIT COMMITTEE

As on March 31, 2019 Vyapar Audit Committee comprises of :

1. Mr. Hussain M. Cementwala-Chairman (Non-Executive Independent Director)
2. Mr. Ramesh Lalwaney - member (Non-Executive Independent Director)
3. Mrs. Farida H. Engineer– member (Non-Executive Independent Director)
4. Mr. Anil Kumar Singla, Company Secretary will act as Secretary of Audit committee.

The Committee met seven times during the year on April 01, 2018, May 30, 2018, August 10, 2018, September 18, 2018, November11, 2018, February 13, 2019 and March 29, 2019. The Minutes of the Audit Committee meetings were placed before and discussed by the Board. The attendance record of VIL Audit Committee is as under.

| Name of Director          | Designation | No. of meetings attended during 2018-19 |
|---------------------------|-------------|---|
| *Mr. Parvez Master        | Chairman    | 3                                       |
| **Mr. HussainCementwala   | Member      | 7                                       |
| Mr. Ramesh Lalwaney       | Member      | 7                                       |
| *!Mrs. Farida H. Engineer | Member      | 4                                       |

\* Resigned as Director on 10<sup>th</sup> August, 2018

\*\* Appointed as Chairman of Audit Committee on 18<sup>th</sup> September, 2018

\*! Appointed as Director and Member of Audit Committee on 27<sup>th</sup> August, 2018

All the members of Audit Committee are financial literate and have accounting and financial management expertise.

The Committee invites Senior Management personnel and statutory auditors to attend these meetings.

The functions of the Audit Committee include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.

- b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
  6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  8. Discussion with internal auditors any significant findings and follow up there on.
  9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
  12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee has reviewed the following information:

1. Management Discussion & Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management
3. Internal Audit Reports relating to internal control weaknesses

#### **NOMINATION & REMUNERATION COMMITTEE**

The Company Nomination & Remuneration Committee as on 31<sup>st</sup> March, 2019 consists of non-executive directors, viz. Mr. Ramesh W. Lalwaney, Mr. Hussain. M. Cementwala and Mrs. Farida H. Engineer and has been entrusted with the responsibility of determination of the remuneration payable to the executive directors, recommendation for appointment / re-appointment of the executive directors, revision in the remuneration of the existing executive directors of the company from time to time. Mr. Hussain M. Cementwalais is the Chairman of the Committee. The Committee met thrice during the year on 30<sup>th</sup> May, 2018, 27<sup>th</sup> August, 2018 and 29<sup>th</sup> March, 2019. The attendance record of VIL Nomination & Remuneration Committee is as under.

| <b>Name of Director</b>   | <b>Designation</b> | <b>No. of meetings attended during 2018-19</b> |
|---------------------------|--------------------|--|
| Mr. Hussain Cementwala    | Chairman           | 3  |
| *Mr. Parvez Master        | Member             | 1  |
| Mr. Ramesh Lalwaney       | Member             | 3  |
| *!Mrs. Farida H. Engineer | Member             | 2  |

\* Resigned as Director on 10<sup>th</sup> August, 2018

\*! Appointed as Director and Member of Nomination & Remuneration Committee on 27<sup>th</sup> August, 2018

**REMUNERATION TO DIRECTORS**

During the year under review, the Executive Directors were paid an aggregate of Rs.1,62,120/- as remuneration distributed as under :-

| Directors           | Remuneration<br>paid during the year upto 31.3.2019 |
|---------------------|---|
|                     | <u>Rs.</u>  |
| Mr. Abbas A.Rassai  | NIL   |
| Mr. HussainA.Rassai | NIL   |
| Mr. AkilA.Rassai    | NIL   |
| Ms.Shabana Mistry   | 1,62,160  |

Directors have voluntarily waived receipt of sitting fees for attending meetings of the Board / Committees of the Board of Directors of the Company. None of the non-executive directors are holding any shares/convertible instruments in the Company.

During 2018-19, the Company did not advance any loans to any of its directors. No stock options have been issued to any of the directors on the Board.

**REMUNERATION POLICY**

Remuneration committee recommends to the board the compensation package of the Executive Directors. The remuneration to the Executive Directors is subject to approval of the Board and shareholders as may be required. The non-executive directors are to be paid sitting fees for attending the meetings of the Board of Directors and Committees within the ceiling prescribed by the Central Government.

**STAKEHOLDERS RELATIONSHIP COMMITTEE :**

The Stakeholder's Relationship Committee of your Company as on 31.03.2019 comprises of non-executive directors, viz. Mr. Ramesh W. Lalwaney, Mr. Hussain M. Cementwala and Mr. Hussain A. Rassai, Executive Director.

Mr. Ramesh W. Lalwaney is the Chairman of the Committee.

The Committee's objective is attending to investors' complaints pertaining to transfers / transmission of shares, non-receipt of dividend / interest, and any other related matters. The Committee met once during the year on 30<sup>th</sup> May, 2018 and all members were present.

**Compliance Officer:**

Mr Anil Kumar Singla, Company Secretary  
Vyapar Industries Limited  
145, S.V Road, Khar (W),  
Mumbai-400052  
Ph-022-66989111, Fax: 022-66987010  
E-mail : [vyapar@vyaparindustries.com](mailto:vyapar@vyaparindustries.com)  
Website: [www.vyaparindustries.com](http://www.vyaparindustries.com)

**Status of Investors Complaints / Share transfers received during the period 1<sup>st</sup>April, 2018 to 31<sup>st</sup>March, 2019**

|    |   |     |
|----|---|-----|
| 1. | Number of complaints received from the investors comprising of Non-receipt of Dividend, Non-receipt of Shares lodged for transfer, Non-Receipt of Annual Report, etc. | 1   |
| 2. | Number of complaints resolved   | 1   |
| 3. | Complaints Pending as at 31 <sup>st</sup> March, 2019   | Nil |
| 4. | Number of Share transfers pending for approval as at 31 <sup>st</sup> March, 2019   | Nil |

**GENERAL SHAREHOLDERS' INFORMATION**

**1. Thirty Fourth Annual General Meeting**

Date : 30<sup>th</sup> September, 2019

Time : 3.00 p.m.

Venue :Vyapar Industries Limited145, S.V Road, Khar (W),Mumbai-400052.

**2. Dates of Book Closure:**

**Monday 23<sup>rd</sup> September, 2019 to Monday 30<sup>th</sup> September, 2019** (Both Days Inclusive)

**3. Financial Calendar of the Company:**

The financial year covers the period from 1st April to 31st March.

Financial reporting for 2019 – 20 (Tentative):

|  |                      |                  |      |                                      |
|--|----------------------|------------------|------|--------------------------------------|
| The First Quarter Results –<br>30.6.2019   | Between              | 31 <sup>st</sup> | July | and                                  |
|  | 14 <sup>th</sup>     | August 2019      |      |                                      |
| The Half Yearly Results –<br>30.9.2019     | Between              | 30 <sup>th</sup> |      | October                              |
|  | and 15 <sup>th</sup> | November 2019    |      |                                      |
| Third Quarter Results –<br>31.12.2019      | Between              | 30 <sup>th</sup> |      | January                              |
|  | and 15 <sup>th</sup> | February, 2020   |      |                                      |
| Approval of Annual Accounts –<br>31.3.2020 | 2 <sup>nd</sup>      | week             | of   | May, 2020/<br>Last week of May, 2020 |

**4. Registered Office**

Vyapar Industries Limited  
145, S.V Road, Khar (W),  
Mumbai-400052.

**5. Listing on Stock Exchange**

**Equity Shares**

Bombay Stock Exchange Limited (BSE),  
PhirozeJeejeebhoyTowers, Dalal Street,  
Mumabi 400 001.

**Code/Trading Symbol**

506142

**6. Stock Code**

Bombay Stock Exchange Limited

Equity Share (physical form) : 506142 – VYAPAR INDUSTRIES LTD.  
(Demat Form) : ISIN INE070G01012

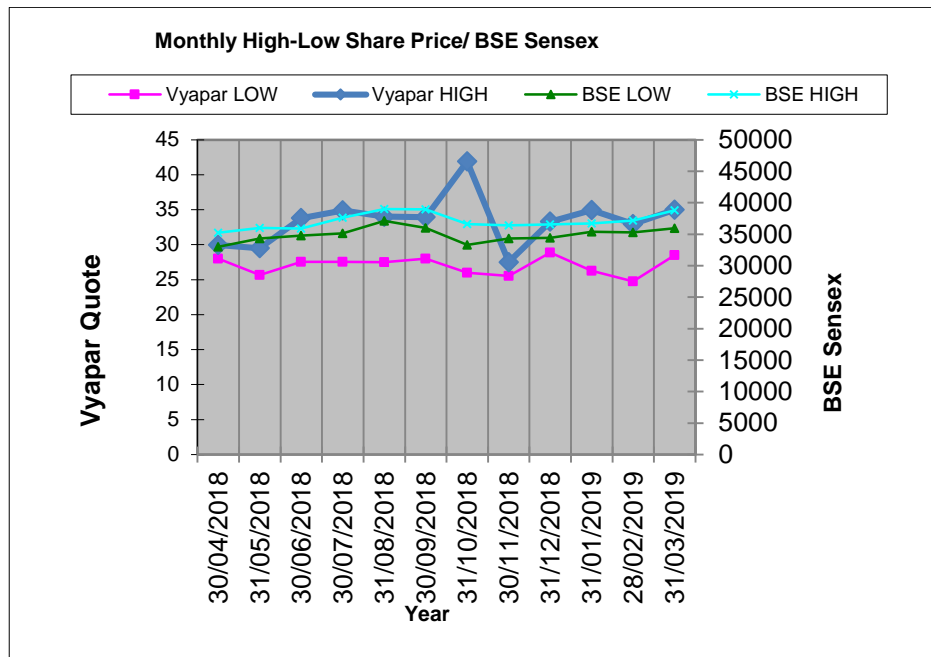
**7. BSE – Stock Price Data (for the period April, 2018 to March, 2019)**

| Year | Month     | High (Rs.) | Low (Rs.) | Monthly Volume |
|------|-----------|------------|-----------|----------------|
| 2018 | April     | 29.95      | 28.00     | 1,507          |
| 2018 | May       | 29.50      | 25.65     | 962            |
| 2018 | June      | 33.80      | 27.55     | 17,444         |
| 2018 | July      | 34.90      | 27.55     | 16,636         |
| 2018 | August    | 34.00      | 27.50     | 3,850          |
| 2018 | September | 33.95      | 28.00     | 25,158         |
| 2018 | October   | 41.90      | 26.00     | 19,139         |
| 2018 | November  | 27.50      | 25.55     | 251            |
| 2018 | December  | 33.30      | 28.85     | 66             |
| 2019 | January   | 34.95      | 26.25     | 72,011         |
| 2019 | February  | 32.95      | 24.75     | 13,125         |
| 2019 | March     | 35.00      | 28.50     | 10,339         |

**8. Performance in comparison to Broad Based BSE Sensex:**  
(for the period April 2018 to March 2019)

The performance of the Company's shares in comparison to broad based BSE – SENSEX is given below:

| Year | Month     | Closing price on Last Trading Day of the Month |                  |
|------|-----------|--|------------------|
|      |           | VIL (Rs.)                                      | BSE Sensex (Rs.) |
| 2018 | April     | 28.10  | 35,160.36        |
| 2018 | May       | 28.95  | 35,322.38        |
| 2018 | June      | 29.00  | 35,423.48        |
| 2018 | July      | 30.10  | 37,606.58        |
| 2018 | August    | 30.90  | 38,645.07        |
| 2018 | September | 33.95  | 36,227.14        |
| 2018 | October   | 26.00  | 34,442.05        |
| 2018 | November  | 27.50  | 36,194.30        |
| 2018 | December  | 33.30  | 36,068.33        |
| 2019 | January   | 26.25  | 36,256.69        |
| 2019 | February  | 32.45  | 35,867.44        |
| 2019 | March     | 28.70  | 38,672.91        |



**09. Registrar and Share Transfer Agents:**

BIGSHARE SERVICES PRIVATE LIMITED. 1<sup>st</sup> Floor, Vasant Oasis,  
Makwana Road, Marol,  
Andheri (East), Mumbai – 400 059.  
Tel No. 022-62638200

**10. Share Transfer System**

Shares sent for transfer in physical form are registered and returned within a period of 5 to 15 days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

As of date, there are no pending share transfers pertaining to the year under review.

**11. Distribution of Shareholding as on 31st March, 2019:**

| No. of Equity shares | No. of shareholders | % of shareholders | Shares Amount   | % of shareholding |
|----------------------|---------------------|-------------------|-----------------|-------------------|
| 1 – 5000             | 806                 | 81.9106           | 989220          | 1.6132            |
| 5001 – 10000         | 81                  | 08.2317           | 685470          | 1.1179            |
| 10001 – 20000        | 33                  | 03.3537           | 508160          | 0.8287            |
| 20001 – 30000        | 16                  | 01.6260           | 402260          | 0.6560            |
| 30001 – 40000        | 10                  | 01.0163           | 349760          | 0.5704            |
| 40001 – 50000        | 05                  | 00.0581           | 243440          | 0.3970            |
| 50001 – 100000       | 16                  | 01.6260           | 1227610         | 2.0020            |
| 100001 & above       | 17                  | 01.7276           | 56914080        | 92.8149           |
| <b>TOTAL</b>         | <b>984</b>          | <b>100.00</b>     | <b>61320000</b> | <b>100.00</b>     |

**12. Shareholding pattern as at 31st March, 2019:**

| Category                 | No of Shares   | % of holding  |
|--------------------------|----------------|---------------|
| Promoters                | 4598988        | 75.00         |
| FII's                    | 00             | 00.00         |
| Private Corporate Bodies | 344195         | 05.61         |
| Indian Public            | 800196         | 13.05         |
| NRI/OCB's                | 386565         | 06.31         |
| CLEARING MEMBER          | 2056           | 00.03         |
| <b>Total</b>             | <b>6132000</b> | <b>100.00</b> |

**13. Dematerialisation of Shares**

As on 31st March 2019, 61,31,981 (99.999%) of total equity capital was held in Electronic form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's equity shares have to be compulsorily traded in the electronic form. Requests for dematerialization of shares are processed and confirmed within 21 days.

**14. Details of Public Funding obtained in the last three years:**

The Company has not obtained any public funding in the last three years.

**15. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.**

No Instrument Outstanding.

**16. Other offices of the Company**

The Company has Offices at the following places:

**Registered Office:**

Vyapar Industries Limited  
145, S.V Road, Khar (W),  
Mumbai-400052.

CIN : L65990MH1983PLC029875

**17. Address for Correspondence**

(Registered Office)

Vyapar Industries Limited  
145, S.V Road, Khar (W),  
Mumbai-400052. CIN : L65990MH1983PLC029875

Ph: 66989111 , Fax: 66987010, Email: vyapar@vyaparindustries.com

**Shareholders may also correspond with the Registrars and Share Transfer Agents, at:**  
BIGSHARE SERVICES PRIVATE LIMITED.

1<sup>st</sup> Floor, Vasant Oasis,  
Makwana Road, Marol,  
Andheri (East), Mumbai – 400 059.  
Tel No. 022-62638200

**18. SEBI Complaints Redress System (SCORES)**

SEBI vide circular dated 3<sup>rd</sup> June, 2011 introduced SCORES, i.e., SEBI Complaints Redress System the system of processing of investors complaints in a centralized web based complaints redress portal known as 'SCORES'. The salient features of this system are: centralized database of all Complaints, online upload Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of action taken on the complaints and its current status.

The Company is registered with SEBI under the SCORES system.

**19. ISIN No.**

The Company's Demat International Security Identification Number (ISIN) for its equity shares in NSDL and CDSL is ISIN INE070G01012.

**V. OTHER DISCLOSURE**

**1. Details of Annual/Extraordinary General Meetings:**

Annual General Meetings held during the past 3 years

| Year | Date                             | Time      | Venue                              |
|------|----------------------------------|-----------|------------------------------------|
| 2016 | 30 <sup>th</sup> September, 2016 | 3.00 p.m. | Registered office Khar (W), Mumbai |
| 2017 | 29 <sup>th</sup> September, 2017 | 3.00 p.m. | Registered office Khar (W), Mumbai |
| 2018 | 29 <sup>th</sup> September, 2018 | 3.00 p.m. | Registered office Khar (W), Mumbai |

Extra Ordinary General Meetings held during the past 3 years : **NIL**

Details of Ordinary and special resolutions passed in previous 3 AGMs / EGMs :

|   |  |
|---|--|
| 33 <sup>rd</sup> AGM  | <p>Special Resolutions was passed for Approval of Related Party Transaction pertaining to Lease of office premises.</p> <p>Ordinary Resolution was passed u/s 152 of the Companies Act, 2013 for appointment of Mrs. Farida H. Engineer as an Independent Non Executive Director for five consecutive years with effect from 27<sup>th</sup> August, 2018</p>  |
| 32 <sup>nd</sup> AGM  | <p>Special Resolutions was passed for Approval of Related Party Transaction pertaining to Sale of goods &amp; Lease of office premises.</p> <p>Ordinary Resolution was passed u/s 139,140 &amp; 142 of the Companies Act, 2013 for appointment of Auditor M/s. M.M. Parikh &amp; Co., Chartered Accountant in place of retiring Auditors Mr. Salim. A. Kantawala, Chartered Accountant.</p>                    |
| 31 <sup>st</sup> AGM  | <p>Special Resolutions was passed for Approval of Related Party Transaction pertaining to Sale of goods &amp; Lease of office premises.</p> <p>Ordinary Resolution was passed u/s 20 of the Companies Act, 2013 for service of documents to Shareholders as per request for charging the fees for Speed Post / Registered Post / Courier as the case may be and authority to the Board to fix the charges.</p> |
| <p>There is no proposed postal ballot to be conducted as on date.</p> |  |

**2. Details of Non-compliance**

There was no non-compliance by the Company on any matters related to capital markets during the last three years.

**3. Code of Conduct**

The Board of Directors of the Company has laid two separate Code of Conduct – one for directors and other for senior management and employees. These codes are posted on the Company's website, [www.vyaparindustries.com](http://www.vyaparindustries.com). All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Joint Chairman is annexed to this report.

**4. Means of Communication**



The quarterly, half-yearly and yearly results are published in national newspaper viz Free Press Journal in English & Nav Shakti in Marathi. These are not sent individually to the shareholders. The Company also informs stock exchanges in a prompt manner, all price sensitive information or such other matters which in its opinion, are material and relevant for the shareholders.

**5. The Management Discussion and Analysis Report (MDA) has been attached to the Directors' Report and forms part of this Annual Report.**

**6. CEO Certification**

We hereby certify that, to the best of our knowledge and belief.

- a) We have reviewed the financial statements and cash flow statement for the year and that to the best of our knowledge and belief :
  - i. These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading.
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violative of 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 internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that :
  - i. there are no significant changes in internal control over financial reporting during the year
  - ii. there are no significant changes in accounting policies during the year; and
  - iii. there are no instances of significant fraud, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's Internal Control Systems over financial reporting.

Sd/-

**AkilRassai**

Managing Director

DIN:00021329

*Mumbai, 30<sup>th</sup> May, 2019*

**7. Disclosure of Accounting Treatment**

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013.

**8. Materially Significant Related Party Transactions**

There are some materially significant related party transactions that may have potential conflict with the interests of Company.

**9. Code for Prevention of Insider Trading Practices:**

In compliance with the SEBI Regulation on Prevention of Insider Trading, the Company has instituted a comprehensive code of conduct for its designated employees. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company, and cautions them on consequences of violations. Mr. HussainRassai, Executive Director has been appointed as the Compliance Officer under this code.

**10. Compliance:**

The Company is fully compliant with the applicable mandatory requirements of the SEBI (LODR) Regulations, 2015, except as stated elsewhere in this report, the company has not adopted other non-mandatory requirements.

## **11 Other Disclosures**

### **I. The Board**

At present there is no policy fixing for the tenure of independent directors.

### **II. Remuneration Committee**

Particulars of constitution of Remuneration Committee and terms of reference thereof has been detailed earlier.

### **III. Shareholders' Rights**

Half yearly financial results including summary of the significant events in last six months are presently, not being sent to shareholders of the Company.

### **IV. Audit Qualifications**

The financial accounts of the Company are unqualified.

### **V. Training of Board Members**

There is no formal policy at present for training of the Board Members of the Company as the members of the Board are eminent and experienced professional persons.

### **VI. Mechanism for evaluating non-executive board members**

Pursuant to the provisions of the Act and Part D of Schedule II of SEBI LODR, evaluation of every Director's performance was done by Nomination and Remuneration Committee. The performance evaluation of Non-Independent Directors and the Board as a whole, Committees thereof and Chairman of the Company was carried out by the Independent Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated. The Directors expressed their satisfaction with the evaluation process.

### **VII. Whistle Blower Policy**

With a view to establish a mechanism for protecting the employees reporting unethical behavior, fraud, violation of Company's Code of Conduct, the Board of Directors has adopted a Whistle Blower Policy. During the year no personnel has been denied access to the Audit Committee.

*Mumbai, 30<sup>th</sup> May, 2019*

Sd/-

**Hussain A. Rassai**

Joint Chairman

DIN:00021454

**ANNUAL CERTIFICATE UNDER SEBI (LODR) OF THE LISTING AGREEMENT WITH  
THE STOCK EXCHANGE**

**DECLARATION ON CODE OF CONDUCT**

To  
The Members of  
VYAPAR INDUSTRIES LIMITED, Mumbai

I, Hussain Rassai, Joint Chairman of Vyapar Industries Limited declare that to the best of my knowledge and belief, all the members of the Board of Directors and the designated personnel in the senior management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March 2019.

For VYAPAR INDUSTRIES LIMITED

Sd/-

HUSSAIN A. RASSAI  
Joint Chairman  
DIN:00021454

*Mumbai, 30<sup>th</sup> May, 2019*

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Vyapar Industries Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Vyapar industries Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2019, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

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

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

#### **i. Provisions for Contingencies and Litigations and disclosure of Contingent liabilities**

**Description of Key Audit Matter:**

At March 31, 2019, the Company has disclosed total contingent liabilities of Rs.788.82 lakhs. These contingent liabilities are based on judgements and accounting estimates made by management in determining the likelihood and magnitude of claims. Accordingly, unexpected adverse outcomes could significantly impact the Company's reported loss and balance sheet position.

Refer Note.2 (g) and Note.27 (b) of financial statements for accounting policies for provisions and contingent liabilities and related disclosures.

**Our response:**

- We evaluated the design and tested the operating effectiveness of controls in respect of the determination of the provisions. We determined that the operation of the controls provided us with evidence over the completeness, accuracy and valuation of the provisions.
- We read the summary of litigation matters provided by management and held discussions with the management and their legal counsels. We requested legal letters from some of the Company's external legal advisors with respect to the matters included in the aforesaid disclosures. Where appropriate, we examined correspondence connected with the cases.
- For litigation provisions, we tested the calculation of the provisions, assessed the assumptions against third party data, where available and assessed the estimates against historical trends.
- We considered management's judgments on the level of provisioning and disclosures in respect of the aforesaid matters, which we considered to be appropriate.

**ii. First time adoption of Ind AS 115 "Revenue from Contracts with Customers"**

**Description of Key Audit Matter:**

The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period.

Refer note 2 (j) and note 18 of the financial statements for accounting policies for revenue recognition and revenue recognised during year under various heads.

**Our response:**

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing on test check basis based on selected samples of contracts with customers.

We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.

We selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control and substantive testing, relating to identification of the distinct performance obligations and determination of transaction price.

We selected sample documents relating to delivery of goods and documentation of performance of service, including customer acceptances to verify the transfer of control (either 'point in time' or 'over time') for revenue recognition.

We considered the terms of the contracts to determine the transaction price to verify the transaction price used to compute revenue.

In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems.

### **iii. Valuation of Investments**

#### **Description of Key Audit Matter:**

The company has investments in unquoted financial assets of companies. The valuation of the financial assets held at fair value was a key area of audit focus due to the significance of the amount and complexity involved in the valuation process. Management makes significant judgments because of the complexity of the techniques and assumptions used in valuing level 3 investments. Given the limited external evidence and unobservable market data available to support the valuation. These investments are accounted at fair value. The valuation is subject to a significant level of judgment, and therefore there is a risk that the value of investments may be misstated. Refer to note no.1 (e) of measurement of fair value and note no. 5 Investments of the stand-alone financial statements.

#### **Our Response**

Our audit procedures included, among others, considering the risk associated with investments.

We verified the data shared with the valuation expert and the rationale of the projections provided by the management.

We also verified the assumptions and benchmarks considered by the valuation expert in arriving at the fair valuation of investments.

We have taken comfort from the valuation expert's report for the fair value accounted for the investments in unlisted companies.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and

Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

### **Responsibility of Management for Financial Statements**

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

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, there is no remuneration paid by the Company to its directors during the year under 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 our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27(b) to the financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M M Parikh & Co**  
Chartered Accountants  
Firm Reg. No.: 107557W

**K.M. PARIKH**  
Partner  
Membership No: 31110

Place: Mumbai  
Date:30, May 2019

**ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended March 31, 2019, we report that:

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, all the fixed assets have been physically verified by the Management in a periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical 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) (a) On the basis of explanation and submission given to us, physical verification of inventory has been conducted at reasonable intervals by the management.
  - (b) In our opinion and on the basis of examination done by us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory and discrepancies noticed on physical verification if any, have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loans, or made any investments, or provided any guarantee, or security as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the goods dealt by the Company.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, employees' state insurance, duty of excise sales tax, value added tax, duty of customs, service tax, Goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, Goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, outstanding dues that have not been deposited by the Company on account of disputes are given below:

| Name of the Statute  | Nature of Dues | Amount (Rs. In lakhs) | Period to which the amount relates | Forum where dispute is pending |
|----------------------|----------------|-----------------------|------------------------------------|--------------------------------|
| Income-tax Act, 1961 | Income-tax     | 3,96,650/-            | 2009-10                            | Appellate                      |
| Income-tax Act, 1961 | Income-tax     | 4,01,20,894/-         | 2011-12                            | Appellate                      |
| Income-tax Act, 1961 | Income-tax     | 6,85,693/-            | 2012-13                            | Appellate                      |
| Income-tax Act, 1961 | Income-tax     | 5,93,506/-            | 2013-14                            | Appellate                      |
| Income-tax Act, 1961 | Income-tax     | 3,60,33,597/-         | 2014-15                            | Appellate                      |
| Income-tax Act, 1961 | TDS            | 390/-                 | 2017-18                            | ACIT                           |
| Income-tax Act, 1961 | TDS            | 1,208/-               | 2016-17                            | ACIT                           |
| Income-tax Act, 1961 | TDS            | 6,650/-               | Prior to FY 2016-17                | ACIT                           |

- (viii) According to the information and explanations given to us, based on our audit procedures and as per information and explanation given to us, the Company has not defaulted in repayment of dues to any bank. The Company did not have any outstanding dues in respect of loans or borrowings from any financial institution, government or debenture holders during the year.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer

(including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, in our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **M M Parikh & Co**  
Chartered Accountants  
Firm Reg. No.: 107557W

**K.M. PARIKH**  
Partner  
Membership No: 31110

Place: Mumbai  
Date:30, May 2019

**ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT**

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

We have audited the Internal Financial Controls over financial reporting of Vyapar Industries Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

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

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

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the Auditor’s Judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted Accounting Principles. A company's Internal Financial Control over Financial Reporting includes those policies and procedures that;

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of 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 March 31 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M.M. Parikh & Co**  
Chartered Accountants  
Firm Reg. No.: 107557W

**K.M. PARIKH**

Partner  
Membership No: 31110  
Place: Mumbai  
Date:30, May 2019

| <b>YAPAR INDUSTRIES LIMITED</b>          |                                      |                 |                                |                                 |
|--|--------------------------------------|-----------------|--------------------------------|---------------------------------|
| <b>BALANCE SHEET AS AT MARCH 31 2019</b> |                                      |                 |                                |                                 |
|  | <b>Particulars</b>                   | <b>Note No.</b> | <b>As at<br/>March 31,2019</b> | <b>As at<br/>March 31, 2018</b> |
| <b>A</b>                                 | <b>ASSETS</b>                        |                 |                                |                                 |
| <b>1</b>                                 | <b>Non-current assets</b>            |                 |                                |                                 |
|  | (a) Property, plant and equipment    | 2               | 86,951,046                     | 86,853,500                      |
|  | (b) Investment Property              | 3               | 60,911,029                     | 60,911,029                      |
|  | (c) Deferred Tax Assets              | 4               | -                              | -                               |
|  | (d) Financial assets                 |                 |                                |                                 |
|  | (i) Investments                      | 5               | 365,728,622                    | 407,919,520                     |
|  | (ii) Security deposits               | 6               | 7,200,000                      | -                               |
|  | (iii) Others financial assets        | 7               | 86,496,599                     | -                               |
|  | (e) Other non-current assets         | 11              | 21,706,806                     | 6,292,382                       |
|  | <b>Total non - current assets</b>    |                 | <b>628,994,103</b>             | <b>561,976,431</b>              |
| <b>2</b>                                 | <b>Current assets</b>                |                 |                                |                                 |
|  | (a) Inventories                      | 8               | -                              | 3,619,000                       |
|  | (b) Financial assets                 |                 |                                |                                 |
|  | (i) Cash and cash equivalents        | 9               | 754,009                        | 4,749,123                       |
|  | (ii) Other bank balances             | 10              | -                              | 49,830,025                      |
|  | (iii) Others financials assets       | 7               | 715,921                        | 588,839                         |
|  | (c) Other current assets             | 11              | 2,748,806                      | 3,166,866                       |
|  | <b>Total non - current assets</b>    |                 | <b>4,218,736</b>               | <b>61,953,853</b>               |
|  | <b>Total assets</b>                  |                 | <b>633,212,839</b>             | <b>623,930,284</b>              |
| <b>B</b>                                 | <b>EQUITY AND LIABILITIES</b>        |                 |                                |                                 |
| <b>1</b>                                 | <b>Equity</b>                        |                 |                                |                                 |
|  | (a) Equity share capital             | 12              | 61,320,000                     | 61,320,000                      |
|  | (b) Other Equity                     | 13              | 542,466,023                    | 531,578,448                     |
|  | <b>Total equity</b>                  |                 | <b>603,786,023</b>             | <b>592,898,448</b>              |
| <b>2</b>                                 | <b>Non-current liabilities</b>       |                 |                                |                                 |
|  | (a) Financial liabilities            |                 |                                |                                 |
|  | (i) Other financial liabilities      | 14              | 2,670,000                      | 2,670,000                       |
|  | (b) Provisions                       | 15              | 347,442                        | 304,438                         |
|  | <b>Total Non-current liabilities</b> |                 | <b>3,017,442</b>               | <b>2,974,438</b>                |



| <b>VYAPAR INDUSTRIES LIMITED</b>         |  |                 |                            |                             |
|--|--|-----------------|----------------------------|-----------------------------|
| <b>BALANCE SHEET AS AT MARCH 31 2019</b> |  |                 |                            |                             |
|  | <b>Particulars</b>   | <b>Note No.</b> | <b>As at March 31,2019</b> | <b>As at March 31, 2018</b> |
| <b>3</b>                                 | <b>Current liabilities</b>   |                 |                            |                             |
|  | (a) Financial Liabilities  |                 |                            |                             |
|  | (i) Trade payables   | 16              |                            |                             |
|  | - Total outstanding dues of micro enterprises and small enterprises            |                 |                            |                             |
|  | - Total outstanding dues other than of micro enterprises and small enterprises |                 | 1,663,438                  | 1,349,384                   |
|  | (ii) Other financial liabilities   | 14              | -                          | 78,840                      |
|  | (b) Deferred Tax Liability   | 4               | 24,695,938                 | 26,579,176                  |
|  | (c) Other current liabilities  | 17              | 49,998                     | 49,998                      |
|  | <b>Total current liabilities</b>   |                 | <b>26,409,374</b>          | <b>28,057,398</b>           |
|  |  |                 |                            |                             |
|  | <b>Total equity and liabilities</b>  |                 | <b>633,212,839</b>         | <b>623,930,284</b>          |
|  | Summary of significant accounting policies and notes to accounts               | 1 to 33         |                            |                             |

The accompanying notes are an integral part of Financial Statements

As per our Report of even date.

**For M M Parikh & Co.**

Chartered Accountants

ICAI Firm registration number : 107557W

**Kishore Parikh**

Partner

Membership No. 031110

Place: Mumbai

Date: May 30, 2019

**For and on behalf of Board of Directors of**

**Vyapar Industries Limited**

**Hussain A. Rassai**

Joint Chairman

DIN: 00021454

**Shabana Mistry**

Chief Financial Officer

**Akil A. Rassai**

Managing Director

DIN: 00021329

**Anil Singla**

Company Secretary

| <b>VYAPAR INDUSTRIES LIMITED</b>  |  |                 |                                       |  |
|---|--|-----------------|---------------------------------------|--|
| <b>STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED ON MARCH 31 2019</b> |  |                 |                                       |  |
|   | <b>Particulars</b>                                     | <b>Note No.</b> | <b>Period Ended<br/>March 31,2019</b> | <b>Period Ended<br/>March 31, 2018</b> |
|   | <b>INCOME</b>  |                 |                                       |  |
| I   | Revenue from operations                                | 18              | 3,839,300                             | 21,626,238                             |
| II  | Other income   | 19              | 8,201,410                             | 7,497,459                              |
| III   | <b>Total revenue (I+II)</b>                            |                 | <b>12,040,710</b>                     | <b>29,123,697</b>                      |
|   |  |                 |                                       |  |
| IV  | <b>EXPENSES</b>  |                 |                                       |  |
|   | Purchase of Yarn                                       | 20              | 661,526                               | 24,215,245                             |
|   | (Increase)/ decrease in inventories                    | 21              | 3,619,000                             | (3,619,000)                            |
|   | Employee benefit expenses                              | 22              | 1,759,594                             | 1,828,282                              |
|   | Depreciation and amortization expense                  | 23              | 8,386                                 | -                                      |
|   | Finance costs  | 24              | -                                     | 1,353,978                              |
|   | Other expenses   | 25              | 2,737,199                             | 5,961,475                              |
|   | <b>Total expenses (IV)</b>                             |                 | <b>8,785,705</b>                      | <b>29,739,979</b>                      |
|   |  |                 |                                       |  |
| V   | Profit/(loss) before exceptional items and tax (I- IV) |                 | <b>3,255,005</b>                      | <b>(616,282)</b>                       |
|   |  |                 |                                       |  |
| VI  | Tax expense:   |                 |                                       |  |
|   | (1) Current tax  |                 | 1,568,343                             | -                                      |
|   | (2) Deferred tax                                       |                 | (714,036)                             | 35,630                                 |
|   |  |                 |                                       |  |
| VII   | Profit (Loss) for the period from operations (V-VI)    |                 | <b>2,400,699</b>                      | <b>(651,912)</b>                       |
|   |  |                 |                                       |  |
| VIII  | <b>Other comprehensive income</b>                      |                 |                                       |  |
|   | Items that will not be reclassified to profit or loss  |                 |                                       |  |
|   | Re-measurement gains/(loss) on defined benefit plans   |                 | 31,760                                | (20,300)                               |
|   | Income tax relating to above                           |                 | (9,528)                               | -                                      |
|   | Equity Instruments through Other Comprehensive Income  |                 | 12,717,662                            | 98,131,650                             |
|   | Income tax relating to above                           |                 | (2,543,532)                           | (19,626,330)                           |
|   | <b>Other Comprehensive Income, net of tax</b>          |                 | <b>10,196,362</b>                     | <b>78,485,020</b>                      |
|   |  |                 |                                       |  |

| <b>VYAPAR INDUSTRIES LIMITED</b>  |  |                 |                                   |                                    |
|---|--|-----------------|-----------------------------------|------------------------------------|
| <b>STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED ON MARCH 31 2019</b> |  |                 |                                   |                                    |
|   | <b>Particulars</b>   | <b>Note No.</b> | <b>Period Ended March 31,2019</b> | <b>Period Ended March 31, 2018</b> |
| IX  | Total Comprehensive Income for the period/year               |                 | <b>12,597,061</b>                 | <b>77,833,108</b>                  |
| X   | Earnings per equity share:                                   |                 |                                   |                                    |
|   | Basic  |                 | 0.39                              | (0.09)                             |
|   | Summary of significant accounting policies notes to accounts | 1 to 33         |                                   |                                    |

The accompanying notes are an integral part of Financial Statements  
As per our Report of even date.

**For M M Parikh & Co.**  
Chartered Accountants  
ICAI Firm registration number : 107557W

**For and on behalf of Board of Directors of  
Vyapar Industries Limited**

**Kishore Parikh**  
Partner  
Membership No. 031110

**Hussain A. Rassai**  
Joint Chairman  
DIN: 00021454

**Akil A. Rassai**  
Managing Director  
DIN: 00021329

Place: Mumbai  
Date: May 30, 2019

**Shabana Mistry**  
Chief Financial Officer

**Anil Singla**  
Company Secretary

| <b>VYAPAR INDUSTRIES LIMITED</b>   |                      |                      |
|--|----------------------|----------------------|
| <b>STATEMENT OF CASHFLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31 2019</b> |                      |                      |
| <b>Particulars</b>   | <b>Period Ended</b>  | <b>Period Ended</b>  |
|  | <b>March 31,2019</b> | <b>March31, 2018</b> |
| <b>CASH FLOW FROM OPERATING ACTIVITIES:</b>                                |                      |                      |
| Profit before tax  | <b>3,255,005</b>     | <b>(616,283)</b>     |
| <b>Adjustment to reconcile profit before tax to net cash flows</b>         |                      |                      |
| Depreciation   | 8,386                | -                    |
| Re-measurement gains/(loss) on defined benefit plans                       | 31,760               | (20,300)             |
| Loss / (profit) on sale of property, plant and equipment                   | -                    | 104,265              |
| <b>Operating profit before working capital changes</b>                     | <b>3,295,151</b>     | <b>(532,318)</b>     |
| <b>Movements in working capital:</b>                                       |                      |                      |
| Increase/ (decrease) in trade payables                                     | 314,054              | 477,521              |
| Increase/ (decrease) in provisions   | 43,004               | 90,496               |
| Increase/ (decrease) in other financial liabilities                        | (78,840)             | 2,748,840            |
| Decrease / (increase) in inventories                                       | 3,619,000            | (3,619,000)          |
| Decrease / (increase) in security deposits                                 | (7,200,000)          | 10,809,780           |
| Decrease / (increase) in others financial assets                           | (86,623,681)         | 4,483,844            |
| Decrease / (increase) in others current assets                             | 418,059              | (426,254)            |
| Decrease / (increase) in others non-current assets                         | (16,992,295)         | (930,049)            |
| <b>Cash generated from / (used in) operations</b>                          | <b>(103,205,547)</b> | <b>13,102,860</b>    |
| <b>Net cash flow from/ (used in) operating activities (a)</b>              | <b>(103,205,547)</b> | <b>13,102,860</b>    |
| <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>                                |                      |                      |
| Proceeds from sale of fixed asset  | -                    | 32,498               |
| Sale of Investments  | 49,486,340           | -                    |
| Addition of Fixed Assets   | (105,932)            | -                    |
| <b>Net cash flow from/ (used in) investing activities (b)</b>              | <b>49,380,408</b>    | <b>32,498</b>        |
| <b>CASH FLOW FROM FINANCING ACTIVITIES :</b>                               |                      |                      |
| Shares buyback   | -                    | (77,760,312)         |
| Repayments of long term borrowings   | -                    | (5,097,131)          |
| <b>Net cash flow from/ (used in) financing activities (c)</b>              | <b>-</b>             | <b>(82,857,443)</b>  |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (a+b+c)</b>      | <b>(53,825,139)</b>  | <b>(69,722,085)</b>  |

| <b>VYAPAR INDUSTRIES LIMITED</b>   |                               |                                |
|--|-------------------------------|--------------------------------|
| <b>STATEMENT OF CASHFLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31 2019</b>                                       |                               |                                |
| <b>Particulars</b>   | <b>Period Ended</b>           | <b>Period Ended</b>            |
|  | <b>March 31,2019</b>          | <b>March31, 2018</b>           |
| Cash and cash equivalents at the beginning of the year   | 54,579,148                    | 124,301,233                    |
| Cash and cash equivalents at the end of the year   | 754,009                       | 54,579,148                     |
|  | <b>(53,825,139)</b>           | <b>(69,722,085)</b>            |
| <b>Components of cash and cash equivalents</b>   |                               |                                |
| Cash on hand   | 654,000                       | 48,734                         |
| With banks   |                               |                                |
| On current accounts  | 100,009                       | 4,700,389                      |
| On deposit accounts  | -                             | 49,830,025                     |
| <b>Total cash and cash equivalents (Note 9)</b>  | <b>754,009</b>                | <b>54,579,148</b>              |
| <b>Reconciliation between the opening and closing balances for liabilities arising from financing activities</b> |                               |                                |
|  |                               |                                |
| <b>Particulars</b>   | <b>Long - term borrowings</b> | <b>Short - term borrowings</b> |
|  | <b>Rs</b>                     | <b>Rs</b>                      |
| March 31, 2018   |                               | -                              |
| Cash flow  | -                             | (82,857,443)                   |
| Non- Cash Changes  |                               |                                |
| Foreign exchange movement  | -                             | -                              |
| Classified as current maturity   | -                             | -                              |
| <b>March 31, 2019</b>  | <b>-</b>                      | <b>(82,857,443)</b>            |

The accompanying notes are an integral part of Financial Statements  
As per our Report of even date.

**For M M Parikh & Co.**  
Chartered Accountants  
ICAI Firm registration number : 107557W

**For and on behalf of Board of Directors of  
Vyapar Industries Limited**

**Kishore Parikh**  
Partner  
Membership No. 031110

**Hussain A. Rassai**  
Joint Chairman  
DIN: 00021454

**Akil A. Rassai**  
Managing Director  
DIN: 00021329

Place: Mumbai  
Date: May 30, 2019

**Shabana Mistry**  
Chief Financial Officer

**Anil Singla**  
Company Secretary

**Notes to the financial statements for the year ended 31 March 2019**

**1. Reporting entity**

Vyapar Industries Ltd (the 'Company') is a Company domiciled in India, with its registered office situated at 145, S V Road, Khar West, Mumbai – 400 052. The equity shares of the company are listed on the Bombay stock exchange (BSE) in India. The Company is primarily involved in trading of Yarn.

**2. Basis of preparation**

**a. Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's financial statements upto and for the year ended 31 March, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on May 30, 2019

Details of the Company's accounting policies are included in Note 2.

**b. Functional and presentation currency**

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakhs, unless otherwise indicated.

**c. Basis of measurement**

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities and defined benefit plan assets/liabilities measured at fair value.

**d. Use of estimates and judgments**

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

### ***Judgments***

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Note 27(a) – lease; whether an arrangement contains a lease and;
- Note 27(a) – lease classification

### ***Assumptions and estimation uncertainties***

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31March, 2018 is included in the following notes:

- Note 2 – useful life of Property, plant and equipment
- Note 28 – employee benefit plans
- Note 32 – Income taxes
- Note 27(b) – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

### **e. Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level1:quoted prices (unadjusted)in active markets for identical assets or liabilities.
- Level2:inputs other than quoted prices included in Level1 that are observable for the asset or liability, either directly (i.e.as prices)or in directly (i.e.derived from prices).
- Level3:in puts for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

- 2. Significant accounting policies**
  - a. Property, plant and equipment**
    - i. Recognition and measurement***



Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

**ii. Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**iii. Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognized in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

| Asset                  | Useful life as per<br>Schedule II of the<br>Companies Act, 2013 |
|------------------------|---|
| Office equipment's     | 5 years   |
| Furniture and fixtures | 10 years  |
| Computers              | 3 years   |
| Vehicles- Motor car    | 8 years   |

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.



Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

**b. Intangible assets**

**i. Acquired intangible**

Intangible assets comprise purchased technical know-how are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses.

**ii. Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

**iii. Amortisation**

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortization in Statement of Profit and Loss.

Intangible assets are amortized over a period of 10 years for technical know-how and 3 years for others.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

**c. Investment Property**

Investment property is the property either to earn rental income or for capital appreciation or for both but not for sale in ordinary course of business, use in production or supply of goods or services or for administrative purpose. Investment properties are measured initially at cost, including transaction costs.

Investment properties are derecognized either upon disposal or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period in which the property is derecognized.

**d. Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost remains as follows:

- a) Finished Goods: Cost of input plus appropriate overhead.
- b) Scrap: at net realisable value.

**e. Impairment**

***Impairment of non-financial assets***

- a) An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.
- b) Recoverable value is the higher of the 'Value in Use' and fair value as reduced by cost of disposal.
- c) Test of impairment of PPE, investment in subsidiaries / associates / joint venture and goodwill are undertaken under Cash Generating Unit (CGU) concept. For Intangible Assets and Investment Properties it is undertaken in asset specific context.
- d) Test of impairment of assets are generally undertaken based on indication of impairment, if any, from external and internal sources of information outlined in para 12 of Ind AS-36.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**f. Employee benefits**

***i. Short-term employee benefits***

Short-

term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

***ii. Defined contribution plans***

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund and Employee State Insurance scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Pre paid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

***iii. Defined benefit plans***

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in Other Comprehensive Income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability(asset),taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost'or' past service gain')or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

***iv. Other long-term employee benefits***

The Company's net obligation in respect of long term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognized in profit or loss in the period in which they arise.

***g. Provisions and contingent liabilities***

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assumptions of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

**h. Leases**

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet.

Payments made under operating leases are generally recognized in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership been classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

**i. Borrowing costs**

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the statement of profit and loss.

**j. Revenue**

The company adopted Ind AS 115 – 'Revenue from Contracts with customers' with effect from April 1 2018. Revenue from the sale of goods in the course of ordinary

activities is recognized at the 'Transaction Price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The goods are considered as 'transferred' when the customer obtains control of those goods.

Revenue from services is recognized in the accounting period in which service are rendered. For food price contracts, revenue is recognized based on actual services provided to the end of the reporting period as a proportion of the total services to be provided.

Dividend income is recognized when the right to receive payment is established and known.

There is no impact on account of applying the Ind AS 115 Revenue from the contract with customers instead of erstwhile Ind AS 18 Revenue on the Financial Statements of the company for the year ended and as at March 31 2019

**k. Foreign currency transactions**

Transactions denominated in foreign currencies; are normally recorded at the exchange rate prevailing on the date of transaction.

Monetary items denominated in foreign currencies at the year-end are re-measured at the exchange rate prevailing on the balance sheet date. Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation; if any, is recognized in the Profit And Loss Statement.

**l. Recognition of interest income**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR 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 amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

**m. Government grant**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

**n. Income tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current liabilities are off set only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis

**o. Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted

average number of ordinary shares outstanding after adjusting for the effects of all potential dilutive ordinary shares.

**p. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or 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 financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**q. Financial instruments**

**i. Recognition and initial measurement**

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**ii. Classification and subsequent measurement**

***Financial assets***

*Financial assets carried at amortised cost*

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

***Financial liabilities***

Financial liabilities are subsequently carried at amortised cost using the effective

interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iii. Derecognition**

Financial assets

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

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

Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:

- 12 months expected credit losses, or
  - Lifetime expected credit losses
- depending upon whether there has been a significant increase in credit risk since initial recognition.

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

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognized in the statement of profit and loss.

**iv. Offsetting**

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

**r. Recent accounting pronouncements Ind AS issued but not effective**

- **Ind AS 116 Leases:** Ministry of Corporate Affairs has Notified Ind AS 116, Leases on March 30, 2019. Ind AS 116 will replace existing leases standard Ind AS 17 Leases



and related interpretations. The Standard sets out the principle of recognition, measurement, presentation and disclosure of leases for both the parties to a contract i.e. the lessee and the lessor. Ind AS 116 a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The company is currently evaluating the effect of this amendment on the standalone financial statements.

- **Ind AS 112 Appendix C, Uncertainty over Income Tax treatments :** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS12 Appendix C Uncertainty over Income Tax Treatments which has to be applied while performing the determination of taxable profit (or loss) tax bases, unused Tax losses, Unused Tax credits and tax rates, when there is uncertainty over Income Tax treatments under Ind AS12. According to the Appendix, companies name need to determine the probability of relevant tax authority accepting each tax treatments or group of tax treatment, that the Companies have used or plan to use their Income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatments when determining the taxable profits (tax loss), tax bases, unused tax loses, unused tax credit and tax rates.

The effective date for adoption of Ind AS 12 Appendix C is annual is annual periods beginning on or after April 1, 2019. Would not have any material impact on the financial statements.

- **Amendment to Ind AS 12- Income taxes:** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12 ‘Income tax’ in connection with accounting for dividend distribution tax. The amendment clarifies that an entity shall recognize the Income tax consequences of dividend in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or event. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.
- **Amendment to Ind AS 19- Plan amendment, curtailment or settlement:** The Ministry of Corporate Affairs issued amendments to Ind AS 19 ‘Employee Benefits’, on 30 March, 2019 in connection with accounting plan of amendment, curtailment, settlement. The amendments require an entity:
  - To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
  - To recognize in profit or loss as a part of past service cost, or a gain or loss on settlement, any reduction in surplus even if that surplus was not previously recognized because of the impact of the assets ceiling.

Effective date for application of this amendment is annual periods beginning on or after April 1, 2019. The company does not have any material impact on account of this amendment.

**For M M Parikh & Co.**

Chartered Accountants

ICAI Firm registration number : 107557W

**Kishore Parikh**

Partner

Membership No. 031110

Place: Mumbai

Date: May 30, 2019

**For and on behalf of Board of Directors of  
Vyapar Industries Limited**

**Hussain A. Rassai**

Joint Chairman

DIN: 00021454

**Akil A. Rassai**

Managing Director

DIN: 00021329

**Shabana Mistry**

Chief Financial Officer

**Anil Singla**

Company Secretary

**Vyapar Industries Limited**  
**Notes on Financial Statements for the Year ended 31st March, 2019**

| Statement of Changes in Equity for the year ended Mar 31, 2019 |  |                  |                   |                  |                   |
|--|--|------------------|-------------------|------------------|-------------------|
| A  | Equity Share Capital                         | As at            |                   | As at            |                   |
|  |  | March 31,2019    |                   | March 31, 2018   |                   |
|  |  | No. of shares    | Amount            | No. of shares    | Amount            |
|  |  |                  | Rs.               |                  | Rs.               |
|  | Balance at the beginning of period/year      | 6,132,000        | 61,320,000        | 8,172,000        | 81,720,000        |
|  | Add: Shares Issued during the year           | -                | -                 | -                | -                 |
|  | Less: Shares buy back during the year        | -                | -                 | (2,040,000)      | (20,400,000)      |
|  | <b>Balance at the end of the period/year</b> | <b>6,132,000</b> | <b>61,320,000</b> | <b>6,132,000</b> | <b>61,320,000</b> |
|  |  |                  |                   |                  |                   |

| B  | Other Equity      | Other Equity                        |                            |                      |  | Other Comprehensive Income                           |   | Total             |
|--|-------------------|-------------------------------------|----------------------------|----------------------|--|--|---|-------------------|
|  |                   | Capital Reserve                     | Capital Redemption Reserve | Securities premium   | Surplus/ (deficit) in the statement of profit and loss | Re-measurement gains/(loss) on defined benefit plans | Gain / (loss) on fair value investments |                   |
|  |                   | Rs.                                 | Rs.                        | Rs.                  | Rs.  | Rs.  | Rs.                                     | Rs.               |
|  |                   | <b>Balance as at April 01, 2017</b> | <b>22,500,000</b>          | <b>27,230,000</b>    | <b>538,739,967</b>                                     | <b>(105,319,101)</b>                                 | <b>143,404</b>                          | <b>27,811,383</b> |
| Increase/Decrease during the year        | -                 | -                                   | -                          | (651,913)            | -  | -  | (651,913)                               |                   |
| Transfer during the year                 | -                 | 20,400,000                          | (20,400,000)               | -                    | -  | -  | -                                       |                   |
| Premium on buy back                      | -                 | -                                   | (57,120,000)               | -                    | -  | -  | (57,120,000)                            |                   |
| Expenses on buy back                     | -                 | -                                   | (240,312)                  | -                    | -  | -  | (240,312)                               |                   |
| Defined benefit plan                     | -                 | -                                   | -                          | -                    | (20,300)   | -  | (20,300)                                |                   |
| Other comprehensive income, net of taxes | -                 | -                                   | -                          | -                    | -  | 78,505,320   | 78,505,320                              |                   |
| <b>Balance as at March 31, 2018</b>      | <b>22,500,000</b> | <b>47,630,000</b>                   | <b>460,979,655</b>         | <b>(105,971,014)</b> | <b>123,104</b>   | <b>106,316,703</b>                                   | <b>531,578,449</b>                      |                   |
| Increase/Decrease during the year        | -                 | -                                   | -                          | 2,400,699            | -  | -  | 2,400,699                               |                   |
| Loss on sale of shares                   | -                 | -                                   | -                          | -                    | -  | (5,422,220)  | (5,422,220)                             |                   |
| DTL reversal on sale of shares           | -                 | -                                   | -                          | -                    | -  | 3,712,735  | 3,712,735                               |                   |
| Defined benefit plan                     | -                 | -                                   | -                          | -                    | 22,232   | -  | 22,232                                  |                   |
| Other comprehensive income, net of taxes | -                 | -                                   | -                          | -                    | -  | 10,174,130   | 10,174,130                              |                   |
| <b>Balance as at March 31, 2019</b>      | <b>22,500,000</b> | <b>47,630,000</b>                   | <b>460,979,655</b>         | <b>(103,570,315)</b> | <b>145,336</b>   | <b>114,781,348</b>                                   | <b>542,466,024</b>                      |                   |

| 2 | Property, plant, equipment         |                     |                  |                           |                   |                     |           |            |
|---|------------------------------------|---------------------|------------------|---------------------------|-------------------|---------------------|-----------|------------|
|   | Particulars                        | Leased<br>Hold Land | Freehold<br>Land | Furniture's<br>& fixtures | Motor<br>vehicles | Office<br>equipment | Computers | Total      |
|   | <b>Deemed Cost</b>                 |                     |                  |                           |                   |                     |           |            |
|   | <b>At April 01, 2017</b>           | 600,000             | 86,253,500       | 130,253                   | 2,275,000         | 884,714             | 125,306   | 90,268,773 |
|   | Additions                          | -                   | -                | -                         | -                 | -                   | -         | -          |
|   | Disposals                          | -                   | -                | -                         | -                 | -                   | -         | -          |
|   | <b>At March 31, 2018</b>           | 600,000             | 86,253,500       | 130,253                   | 2,275,000         | 884,714             | 125,306   | 90,268,773 |
|   | Additions                          | -                   | -                | -                         | -                 | 105,932             | -         | 105,932    |
|   | Disposals                          |                     |                  |                           |                   |                     |           | -          |
|   | Exchange Differences               | -                   |                  |                           |                   |                     |           | -          |
|   | <b>At March 31,2019</b>            | 600,000             | 86,253,500       | 130,253                   | 2,275,000         | 990,646             | 125,306   | 90,374,705 |
|   |                                    |                     |                  |                           |                   |                     |           |            |
|   | <b>Depreciation and Impairment</b> |                     |                  |                           |                   |                     |           |            |
|   | <b>At April 01, 2017</b>           | -                   | -                | 130,253                   | 2,161,250         | 861,701             | 125,306   | 3,278,510  |
|   | Depreciation charge for the year   | -                   | -                | -                         | -                 | -                   | -         | -          |
|   | Disposals                          | -                   | -                | -                         | 113,750           | 23,013              | -         | 136,763    |
|   | <b>At March 31, 2018</b>           | -                   | -                | 130,253                   | 2,275,000         | 884,714             | 125,306   | 3,415,273  |
|   | Depreciation charge for the year   | -                   | -                | -                         | -                 | 8,386               | -         | 8,386      |
|   | Disposals                          | -                   | -                | -                         | -                 | -                   | -         | -          |
|   | Other adjustments                  | -                   | -                | -                         | -                 | -                   | -         | -          |
|   | <b>At March 31,2019</b>            | -                   | -                | 130,253                   | 2,275,000         | 893,100             | 125,306   | 3,423,659  |
|   |                                    |                     |                  |                           |                   |                     |           |            |
|   | <b>Net book value</b>              |                     |                  |                           |                   |                     |           |            |
|   | <b>At March 31, 2018</b>           | 600,000             | 86,253,500       | -                         | -                 | -                   | -         | 86,853,500 |
|   | <b>At March 31, 2019</b>           | 600,000             | 86,253,500       | -                         | -                 | 97,546              | -         | 86,951,046 |

**Notes on Financial Statements for the Year ended 31st March, 2019**

| <b>3</b> | <b>Investment Property</b>   |                      |                       |
|----------|--|----------------------|-----------------------|
|          | <b>Particulars</b>   | <b>As at</b>         |                       |
|          |  | <b>March 31,2019</b> | <b>March 31, 2018</b> |
|          |  | <b>Rs.</b>           | <b>Rs.</b>            |
|          | Opening balance  | 60,911,029           | 60,911,029            |
|          | Additions  | -                    | -                     |
|          | Disposals  | -                    | -                     |
|          |  | <b>60,911,029</b>    | <b>60,911,029</b>     |
|          | <b>Depreciation and impairment</b>   |                      |                       |
|          | Accumulated depreciation   | -                    | -                     |
|          | Depreciation charge for the period/ year   | -                    | -                     |
|          | Disposals  | -                    | -                     |
|          |  | -                    | -                     |
|          | <b>Net book value</b>  | <b>60,911,029</b>    | <b>60,911,029</b>     |
|          | <i>The fair values of the Investment Property as at 31st March, 2018 &amp; 31st March, 2019 has remained same at Rs. 5,97,58,826/- in both the financial years. The valuation is based on fair value assessment done by accredited independent valuers. These fair values of the investment property are categorised as Level 2 in the fair valuation hierarchy.</i> |                      |                       |
|          | <u>(i) Amounts recognised in profit or loss for investment properties</u>  |                      |                       |
|          | <b>Particulars</b>   | <b>As at</b>         |                       |
|          |  | <b>March 31,2019</b> | <b>March 31, 2018</b> |
|          |  | <b>Rs.</b>           | <b>Rs.</b>            |
|          | Rental Income  | 5,475,725            | 3,115,000             |
|          | <b>Direct operating expenses from property that generated rental income</b>  |                      |                       |
|          | Society Maintenance Expenses   | (649,081)            | (632,856)             |
|          | Property Tax   | (349,506)            | (699,012)             |
|          |  | -                    | -                     |
|          | <b>Profit from investment properties before depreciation</b>   | <b>4,477,138</b>     | <b>1,783,132</b>      |
|          | <b>Depreciation and impairment</b>   |                      |                       |
|          | Depreciation charge for the period/ year   | -                    | -                     |
|          |  | -                    | -                     |
|          | <b>Profit from investment properties</b>   | <b>4,477,138</b>     | <b>1,783,132</b>      |

## Notes on Financial Statements for the Year ended 31st March, 2019

| 4 | Deferred Tax Asset / ( Liability)            | As at               | Recognized         | Recognized in OCI   | Recognized       | As at               |
|---|--|---------------------|--------------------|---------------------|------------------|---------------------|
|   |  | April 1, 2017       | in profit and loss |                     | in Equity        | March 31, 2018      |
|   |  | Rs.                 | account            | Rs.                 | Rs.              | Rs.                 |
|   | Fair Value of Investment                     | (6,952,846)         | -                  | (19,626,330)        | -                | (26,579,176)        |
|   | Re measurements of the defined benefit plans | 35,630              | (35,630)           | -                   | -                | -                   |
|   |  | <b>(6,917,216)</b>  | <b>(35,630)</b>    | <b>(19,626,330)</b> | <b>-</b>         | <b>(26,579,176)</b> |
|   |  |                     |                    |                     |                  |                     |
|   |  |                     |                    |                     |                  |                     |
|   |  | As at               | Recognized         | Recognized in OCI   | Recognized       | As at               |
|   |  | April 1, 2018       | in profit and loss |                     | in Equity        | March 31, 2019      |
|   |  | Rs.                 | account            | Rs.                 | Rs.              | Rs.                 |
|   | Fair Value of Investment                     | (26,579,177)        | -                  | (2,543,532)         | -                | (29,122,709)        |
|   | Reversal of DTL                              | -                   | -                  | -                   | 3,712,735        | 3,712,735           |
|   | MAT Credit Entitlement                       | -                   | 714,036            | -                   | -                | 714,036             |
|   |  | <b>(26,579,177)</b> | <b>714,036</b>     | <b>(2,543,532)</b>  | <b>3,712,735</b> | <b>(24,695,938)</b> |

**Notes on Financial Statements for the Year ended 31st March, 2019**

| 5 | Investments  | As at            |                    | As at            |                    |
|---|--|------------------|--------------------|------------------|--------------------|
|   |  | March 31,2019    |                    | March 31, 2018   |                    |
|   |  | Units            | Amount             | Units            | Amount             |
|   | <b>Non Current</b>   |                  |                    |                  |                    |
|   | Investments measured at FVTOCI                                 |                  |                    |                  |                    |
|   | <u>In Equity Instruments</u>                                   |                  |                    |                  |                    |
|   | <u>Unquoted, fully paid up</u>                                 |                  |                    |                  |                    |
|   | Hindupur Vyapar Apparel Park of Rs. 10/- each                  | 1,500,000        | 15,000,000         | 1,500,000        | 15,000,000         |
|   | Beneficent Knowledge Parks and Properties Ltd of Rs. 10/- each | 4,225,137        | 350,728,622        | 4,911,494        | 392,919,520        |
|   |  | <b>5,725,137</b> | <b>365,728,622</b> | <b>6,411,494</b> | <b>407,919,520</b> |
|   | <b>Current</b>   | -                | -                  | -                | -                  |
|   |  | -                | -                  | -                | -                  |
|   |  | -                | -                  | -                | -                  |
|   | <b>Total</b>   | <b>5,725,137</b> | <b>365,728,622</b> | <b>6,411,494</b> | <b>407,919,520</b> |

| 6 | Security deposits  | As at                |                   |
|---|--|----------------------|-------------------|
|   |  | March 31,2019        | March 31, 2018    |
|   |  | Amount               | Amount            |
|   | <b>Non Current</b>   |                      |                   |
|   | Unsecured, considered good                                     |                      |                   |
|   | Others   | -                    | -                 |
|   | Related parties  | 7,200,000            | -                 |
|   |  | <b>7,200,000</b>     | -                 |
|   | <b>7 Other Financial Assets</b>                                |                      |                   |
|   |  | As at                | As at             |
|   |  | March 31,2019        | March 31, 2018    |
|   |  | Amount               | Amount            |
|   | <b>Non Current</b>   |                      |                   |
|   | Fixed Deposits with remaining maturity more than twelve Months | 86,496,599           | -                 |
|   |  | <b>86,496,599</b>    | -                 |
|   | <b>Current</b>   |                      |                   |
|   | Interest accrued but not due                                   | 715,921              | 588,839           |
|   |  | <b>715,921</b>       | <b>588,839</b>    |
|   | <b>Total</b>   | <b>87,212,520.10</b> | <b>588,839.00</b> |



**Notes on Financial Statements for the Year ended 31st March, 2019**

| 8         | Inventories  | As at             | As at             |
|-----------|--|-------------------|-------------------|
|           |  | March 31,2019     | March 31, 2018    |
|           |  | Amount            | Amount            |
|           | Yarn   | -                 | 3,619,000         |
|           |  | -                 | <b>3,619,000</b>  |
| <b>9</b>  | <b>Cash and Cash Equivalents</b>                               |                   |                   |
|           |  | As at             | As at             |
|           |  | March 31,2019     | March 31, 2018    |
|           |  | Amount            | Amount            |
|           | Balance with banks   |                   |                   |
|           | On current accounts  | 100,009           | 4,700,389         |
|           | Cash on hand   | 654,000           | 48,734            |
|           |  | <b>754,009</b>    | <b>4,749,123</b>  |
| <b>10</b> | <b>Other Bank Balances</b>                                     |                   |                   |
|           |  | As at             | As at             |
|           |  | March 31,2019     | March 31, 2018    |
|           |  | Rs.               | Rs.               |
|           | Fixed Deposits with remaining maturity less than twelve months |                   | 49,830,025        |
|           |  | -                 | <b>49,830,025</b> |
| <b>11</b> | <b>Other Assets</b>  |                   |                   |
|           |  | As at             | As at             |
|           |  | March 31,2019     | March 31, 2018    |
|           |  | Amount            | Amount            |
|           | <b>Non Current</b>   |                   |                   |
|           | Tax Assets (Net of Provision)                                  | 21,706,806        | 6,292,383         |
|           |  | <b>21,706,806</b> | <b>6,292,383</b>  |
|           | <b>Current</b>   |                   |                   |
|           | Unsecured, considered good                                     |                   |                   |
|           | Balance with statutory authorities                             | 437,954           | 437,954           |
|           | MAT Credit Entitlement   | 2,139,114         | 2,728,912         |
|           | Security Deposits  | 113,000           | -                 |
|           | Prepaid Expenses   | 58,739            | -                 |
|           |  | <b>2,748,806</b>  | <b>3,166,866</b>  |

**Notes on Financial Statements for the Year ended 31st March, 2019**

| 12 | Equity Share Capital   | As at                                   |   |
|----|--|---|---|
|    |  | March 31, 2019<br>Rs.                   | March 31, 2018<br>Rs.                   |
|    | <b>AUTHORIZED SHARES</b>   |   |   |
|    | 1,20,00,000 (March 31, 2018 : 1,20,00,000) Equity Shares of Rs. 10/- each.   | 120,000,000                             | 120,000,000                             |
|    |  | 120,000,000                             | 120,000,000                             |
|    | <b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP SHARES</b>   |   |   |
|    | 61,32,000 (March 31, 2018 : 81,72,000) Equity Shares of Rs.10/- each, Fully Paid up  | 61,320,000                              | 61,320,000                              |
|    | <b>Total issued, subscribed and fully paid-up share capital</b>  | <b>61,320,000</b>                       | <b>61,320,000</b>                       |
| a) | The Company has only one class of Equity shares having a face value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholdings. |   |   |
| b) | <b>Details of shareholding more than 5% equity shares in the Company:</b>  |   |   |
|    | <b>Name of the shareholder</b>   | <b>March 31, 2019<br/>No. of Shares</b> | <b>March 31, 2018<br/>No. of Shares</b> |
|    | Mr. Husain Rassai  | 2,220,986                               | 2,238,286                               |
|    | Mr. Akil Rassai  | 2,220,986                               | 2,238,286                               |
|    | Yusuf Halela   | 382,250                                 | 382,250                                 |
|    | As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.  | <b>% holding</b>                        | <b>% holding</b>                        |
|    |  | 36.22%                                  | 36.50%                                  |
|    |  | 36.22%                                  | 36.50%                                  |
|    |  | 6.23%                                   | 6.23%                                   |

**Notes on Financial Statements for the Year ended 31st March, 2019**

| <b>13</b> | <b>Other Equity</b>  | <b>As at</b>          | <b>As at</b>          |
|-----------|--|-----------------------|-----------------------|
|           |  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|           |  | <b>Rs</b>             | <b>Rs</b>             |
|           | Capital Reserve  | 22,500,000            | 22,500,000            |
|           | Capital Redemption Reserve   | 47,630,000            | 47,630,000            |
|           | Securities premium   | 460,979,655           | 460,979,655           |
|           | Surplus/ (Deficit) in the statement of profit and loss                                   | (103,570,315)         | (105,971,014)         |
|           | Other comprehensive income   | 114,926,684           | 106,439,807           |
|           |  | <b>542,466,023</b>    | <b>531,578,449</b>    |
|           |  |                       |                       |
| <b>14</b> | <b>Other Financial Liabilities</b>   | <b>As at</b>          | <b>As at</b>          |
|           |  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|           |  | <b>Rs.</b>            | <b>Rs.</b>            |
|           | <b>Non Current</b>   |                       |                       |
|           | Security Deposits  | 2,670,000             | 2,670,000             |
|           |  | <b>2,670,000</b>      | <b>2,670,000</b>      |
|           | <b>Current</b>   |                       |                       |
|           | Salary payable   | -                     | 78,840                |
|           |  | -                     | <b>78,840</b>         |
|           |  |                       |                       |
| <b>15</b> | <b>Provisions</b>  | <b>As at</b>          | <b>As at</b>          |
|           |  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|           |  | <b>Rs.</b>            | <b>Rs.</b>            |
|           | <b>Non Current</b>   |                       |                       |
|           | Gratuity Provision (net)   | 347,442               | 304,438               |
|           |  | <b>347,442</b>        | <b>304,438</b>        |
|           |  |                       |                       |
| <b>16</b> | <b>Trade payables</b>  | <b>As at</b>          | <b>As at</b>          |
|           |  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|           |  | <b>Rs.</b>            | <b>Rs.</b>            |
|           | Trade payables   |                       |                       |
|           | - Total outstanding dues of micro enterprises and small enterprises                      | -                     | -                     |
|           | - Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,663,438             | 1,349,384             |
|           |  | <b>1,663,438</b>      | <b>1,349,384</b>      |
|           |  |                       |                       |
| <b>17</b> | <b>Other current liabilities</b>   | <b>As at</b>          | <b>As at</b>          |
|           |  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|           |  | <b>Rs.</b>            | <b>Rs.</b>            |
|           | <u>Statutory dues</u>  |                       |                       |
|           | Income tax payable   | 49,998                | 49,998                |
|           |  | <b>49,998</b>         | <b>49,998</b>         |

Notes on Financial Statements for the Year ended 31st March, 2019

| 18 | Revenue from Operations                         | For the period / year ended |                    |
|----|---|-----------------------------|--------------------|
|    |   | March 31, 2019              | March 31, 2018     |
|    |   | Rs.                         | Rs.                |
|    | Sale of product                                 |                             |                    |
|    | Yarn  | 3,839,300                   | 21,626,238         |
|    |   | -                           | -                  |
|    |   | <b>3,839,300</b>            | <b>21,626,238</b>  |
| 19 | Other Income                                    | For the period / year ended |                    |
|    |   | March 31, 2019              | March 31, 2018     |
|    |   | Rs.                         | Rs.                |
|    | <u>Interest-</u>                                |                             |                    |
|    | On bank deposits                                | 3,644,903                   | 5,702,693          |
|    | On Income Tax Refund                            | 17,417                      |                    |
|    | Others  | 1,487                       | -                  |
|    | <u>Other non-operating income-</u>              |                             |                    |
|    | Discount  | 465                         | -                  |
|    | Creditors balance written back                  | 60,000                      | 10,612             |
|    | Interest on loans to employee                   | -                           | 1,022              |
|    | Rent Income                                     | 4,477,138                   | 1,783,132          |
|    |   | <b>8,201,410</b>            | <b>7,497,459</b>   |
| 20 | Purchase of yarn                                | For the period / year ended |                    |
|    |   | March 31, 2019              | March 31, 2018     |
|    |   | Rs.                         | Rs.                |
|    | Purchases                                       | 661,526                     | 24,215,245         |
|    |   | <b>661,526</b>              | <b>24,215,245</b>  |
| 21 | (Increase)/ decrease in inventories             | For the period / year ended |                    |
|    |   | March 31, 2019              | March 31, 2018     |
|    |   | Rs.                         | Rs.                |
|    | <b>Inventories at the end of the year</b>       |                             |                    |
|    | Yarn  | -                           | (3,619,000)        |
|    |   | -                           | <b>(3,619,000)</b> |
|    | <b>Inventories at the beginning of the year</b> |                             |                    |
|    | Yarn  | 3,619,000                   | -                  |
|    |   | <b>3,619,000</b>            | -                  |
|    |   | <b>3,619,000</b>            | <b>(3,619,000)</b> |

Notes on Financial Statements for the Year ended 31st March, 2019

|           |  |                                    |                       |
|-----------|--|------------------------------------|-----------------------|
| <b>22</b> | <b>Employee benefit expenses</b>                   |                                    |                       |
|           |  | <b>For the period / year ended</b> |                       |
|           |  | <b>March 31, 2019</b>              | <b>March 31, 2018</b> |
|           |  | <b>Rs.</b>                         | <b>Rs.</b>            |
|           | Salaries and Wages                                 | 1,684,830                          | 1,757,063             |
|           | Gratuity   | 74,764                             | 70,197                |
|           | Employee Benefit Cost                              | -                                  | 1,022                 |
|           | <b>Total</b>                                       | <b>1,759,594</b>                   | <b>1,828,282</b>      |
|           |  |                                    |                       |
| <b>23</b> | <b>Depreciation and amortization expense</b>       |                                    |                       |
|           |  | <b>For the period / year ended</b> |                       |
|           |  | <b>March 31, 2019</b>              | <b>March 31, 2018</b> |
|           |  | <b>Rs.</b>                         | <b>Rs.</b>            |
|           | Depreciation of property, plant and equipment      | 8,386                              | -                     |
|           |  | <b>8,386</b>                       | -                     |
|           |  |                                    |                       |
| <b>24</b> | <b>Finance costs</b>                               |                                    |                       |
|           |  | <b>For the period / year ended</b> |                       |
|           |  | <b>March 31, 2019</b>              | <b>March 31, 2018</b> |
|           |  | <b>Rs.</b>                         | <b>Rs.</b>            |
|           | Interest Expenses                                  | -                                  | 1,350,484             |
|           | Other Borrowing Cost                               | -                                  | 3,494                 |
|           |  | -                                  | <b>1,353,978</b>      |
|           |  |                                    |                       |
| <b>25</b> | <b>Other expenses</b>                              |                                    |                       |
|           |  | <b>For the period / year ended</b> |                       |
|           |  | <b>March 31, 2019</b>              | <b>March 31, 2018</b> |
|           |  | <b>Rs.</b>                         | <b>Rs.</b>            |
|           | Bank Charges                                       | 10,236                             | 38,893                |
|           | Conveyance Expense                                 | 68,682                             | -                     |
|           | Computer Expenses                                  | 30,673                             | 24,069                |
|           | Income Tax Appeal Fees                             | 6,000                              | -                     |
|           | Legal Expenses                                     | 190,366                            | 1,607,250             |
|           | Loss on Sale of Motor Car                          | -                                  | 88,750                |
|           | Loss on Sale of Air Conditioner & Office Equipment | -                                  | 15,515                |
|           | Miscellaneous Expenses                             | 94,850                             | 32,766                |
|           | Payment to Auditors (Refer Note 26(a))             | 236,000                            | 354,000               |
|           | Printing & Stationery                              | 74,173                             | 51,397                |
|           | Postage & Courier Charges                          | 59,361                             | 46,483                |
|           | Professional Fees                                  | 1,197,888                          | 1,117,145             |
|           | Profession Tax (Company)                           | 2,500                              | 2,500                 |
|           | Professional Fees W/off                            | 44,929                             | -                     |

|              |   |                                    |                       |
|--------------|---|------------------------------------|-----------------------|
|              | Office Electricity and water charges  | 77,810                             | 52,669                |
|              | Rent, Rates and Taxes   | 240,000                            | 1,962,207             |
|              | Repairs and Maintenance   | 36,304                             | 84,206                |
|              | Sales Tax   | 5,900                              |                       |
|              | Subscription and Membership Fees  | 250,000                            | 252,098               |
|              | Telephone Expenses  | 97,527                             | 135,655               |
|              | Transport Expenses  | 14,000                             | 93,798                |
|              | Travelling Expenses   | -                                  | 2,074                 |
|              |   | <b>2,737,199</b>                   | <b>5,961,475</b>      |
|              |   |                                    |                       |
| <b>25(a)</b> | <b>Payment to auditor</b>   |                                    |                       |
|              |   | <b>For the period / year ended</b> |                       |
|              |   | <b>March 31, 2019</b>              | <b>March 31, 2018</b> |
|              |   | <b>Rs.</b>                         | <b>Rs.</b>            |
|              | Payment to auditor as:-   |                                    |                       |
|              | - Auditor (including GST)   | 236,000                            | 236,000               |
|              | - for taxation matters  | -                                  | 118,000               |
|              | - for other services  | -                                  | -                     |
|              | <b>Total</b>  | <b>236,000</b>                     | <b>354,000</b>        |
|              |   |                                    |                       |
| <b>26</b>    | <b>Earnings per share (EPS)</b>   |                                    |                       |
|              | The following reflects the profit and share data used in the basic and diluted EPS computations:  |                                    |                       |
|              |   | <b>March 31, 2019</b>              | <b>March 31, 2018</b> |
|              |   | <b>Rs.</b>                         | <b>Rs.</b>            |
|              | <b>Profit/ ( loss) after tax</b>  | 2,400,699                          | (651,912)             |
|              |   |                                    |                       |
|              |   | <b>March 31, 2019</b>              | <b>March 31, 2018</b> |
|              |   | <b>Rs.</b>                         | <b>Rs.</b>            |
|              | <b>Weighted average number of equity shares in calculating basic EPS</b>  |                                    |                       |
|              | Weighted average number of shares outstanding as at period end  | 6,132,000                          | 7,098,904             |
|              |   |                                    |                       |
|              | <b>Earnings per share</b>   |                                    |                       |
|              | Basic EPS   | 0.39                               | (0.09)                |
|              | Diluted   | 0.39                               | (0.09)                |
|              |   |                                    |                       |
| <b>27a</b>   | <b>Operating Leases</b>   |                                    |                       |
|              | The company is a lessor and a lessee, in both the cases either of the party can terminate the agreement by giving the notice and hence it is a cancellable lease, so the disclosure requirement of Ind AS 17 showing minimum lease payment for less than 1 year between more than 1 year and less than 5 year, and more than 5 years is not applicable. |                                    |                       |

**Notes on Financial Statements for the Year ended 31st March, 2019**

| <b>27b</b> | <b>Contingent liabilities</b>   | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|------------|---|-----------------------|-----------------------|
|            |   | <b>Rs.</b>            | <b>Rs.</b>            |
|            | <b>Service Charges</b>  |                       |                       |
|            | Diamond & Gems Development Corporation Ltd.   | 2,160,642             | 1,529,359             |
|            | <b>Income Tax and TDS</b>   |                       |                       |
|            | Income Tax of A.Y 2008-09   | -                     | 29,645                |
|            | Income Tax of A.Y 2009-10   | 396,650               | -                     |
|            | Income Tax of A.Y 2010-11   | -                     | 3,467,600             |
|            | Income Tax of A.Y 2011-12   | 40,120,894            | -                     |
|            | Income Tax of A.Y 2012-13   | 685,693               | -                     |
|            | Income Tax of A.Y 2013-14   | 593,506               | -                     |
|            | Income Tax of A.Y 2014-15   | 36,033,597            | 36,610                |
|            | T.D.S FOR FY 2017-18  | 390                   | -                     |
|            | T.D.S FOR FY 2016-17  | 1,208                 | 7,858                 |
|            | TDS prior to FY 2016-17   | 6,650                 | -                     |
|            | <b>Total</b>  | <b>77,838,588</b>     | <b>3,541,713</b>      |
| <b>28</b>  | <b>Gratuity</b>   |                       |                       |
|            | The Company has a defined benefit gratuity plan for its employees. Every employee who has completed five years of service or more gets a gratuity on resignation or death or retirement at 15 days of last drawn salary for each completed year of service. |                       |                       |
|            | The following tables summarize the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the Balance sheet for the respective plans.   |                       |                       |
|            | <b>Net employee benefit expense recognized in employee cost</b>   |                       |                       |
|            |   | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|            |   | <b>Rs.</b>            | <b>Rs.</b>            |
|            | Current service cost  | 51,748.00             | 54,665.00             |
|            | Net Interest  | 23,016.00             | 15,532.00             |
|            | <b>Net benefit expense</b>  | <b>74,764.00</b>      | <b>70,197.00</b>      |
|            | <b>Other Comprehensive Income</b>   | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|            |   | <b>Rs.</b>            | <b>Rs.</b>            |
|            | Actuarial (Gain)/Loss recognized for the period   | (31,760.00)           | 20,299.00             |
|            | Return on Plan Assets excluding net interest  | -                     | -                     |
|            | Re-measurement gains/(loss) on defined benefit plans  | <b>(31,760.00)</b>    | <b>20,299.00</b>      |

|  | March 31, 2019        | March 31, 2018        |
|--|-----------------------|-----------------------|
|  | Rs.                   | Rs.                   |
| <b>Balance sheet</b>   |                       |                       |
| <b>Benefit asset/ (liability)</b>  |                       |                       |
|  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|  | <b>Rs.</b>            | <b>Rs.</b>            |
| Present value of defined benefit obligation  | 347,442.00            | 304,438.00            |
| Fair value of plan assets  | -                     | -                     |
| <b>Plan asset/ (liability)</b>   | <b>347,442.00</b>     | <b>304,438.00</b>     |
| <b>Changes in the present value of the defined benefit obligation are as follows:</b>  |                       |                       |
|  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|  | <b>Rs.</b>            | <b>Rs.</b>            |
| Opening defined benefit obligation   | 304,438.00            | 213,942.00            |
| Current service cost   | 51,748.00             | 54,665.00             |
| Interest cost  | 23,016.00             | 15,532.00             |
| Actuarial (gain)/loss on obligation  | (31,760.00)           | 20,299.00             |
| <b>Closing defined benefit obligation</b>  | <b>347,442.00</b>     | <b>304,438.00</b>     |
| <b>The principal assumptions used in determining gratuity for the Company's plans are shown below:</b>   |                       |                       |
|  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
| Discount rate  | 7.56%                 | 7.56%                 |
| Rate of increase in compensation level   | 4.00%                 | 4.00%                 |
| Employee turnover*   | 2.00%                 | 2.00%                 |
| <b>Experience adjustment for current and previous four periods:</b>  |                       |                       |
|  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|  | <b>Rs.</b>            | <b>Rs.</b>            |
| Defined benefit obligation   | 347,442.00            | 304,438.00            |
| Plan assets  | -                     | -                     |
| Surplus/ (deficit)   | 347,442.00            | 304,438.00            |
| Experience adjustments on plan liabilities   | (31,760.00)           | 20,299.00             |
| Experience adjustments on plan assets  | -                     | -                     |
| Estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, increments and other relevant factors, such as supply and demand in employment market |                       |                       |



**Notes on Financial Statements for the Year ended 31st March, 2019**

|           |  |   |                       |                       |
|-----------|--|---|-----------------------|-----------------------|
| <b>29</b> | <b>Related party disclosures</b>   |   |                       |                       |
| <b>a.</b> | <b>Names of related parties and related party relationship</b>   |   |                       |                       |
|           |  |   |                       |                       |
|           | <b>Name of the party</b>   | <b>Description of relationship</b>  |                       |                       |
|           | M/s Noble Enterprises  | Enterprise over which directors and their relatives have significant influence. |                       |                       |
|           | Esoteric Realty Private Limited  | Enterprise over which directors and their relatives have significant influence. |                       |                       |
|           | Ashar Traders  | Enterprise over which directors and their relatives have significant influence. |                       |                       |
|           |  |   |                       |                       |
|           | <b>Key managerial personnel / Directors</b>  |   |                       |                       |
|           | Abbas Rassai   | Director  |                       |                       |
|           | Hussain Rassai   | Director - Joint Chairman   |                       |                       |
|           | Akil Rassai  | Managing Director   |                       |                       |
|           | Anil Singla  | Company Secretary & Compliance Officer  |                       |                       |
|           | Ramesh W. Lalwaney   | Director - Chairman   |                       |                       |
|           | Parvez Master  | Director  |                       |                       |
|           | Hussain Cementwala   | Director  |                       |                       |
|           | Shabana Mistry   | Director - CFO  |                       |                       |
|           |  |   |                       |                       |
|           | <b>Relatives of key managerial personnel / directors</b>   |   |                       |                       |
|           | Shamima Rassai   | Relative of Key managerial personnel  |                       |                       |
|           | Yakuta Rassai  | Relative of Key managerial personnel  |                       |                       |
|           | Sakina Rassai  | Relative of Key managerial personnel  |                       |                       |
|           |  |   |                       |                       |
| <b>b.</b> | <b>Related party transaction</b>   |   |                       |                       |
|           | <b>The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:</b> |   |                       |                       |
|           |  |   |                       |                       |
|           |  | <b>Nature of transaction</b>  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|           | Akil Rassai  | Remuneration  | -                     | -                     |
|           |  | Rent  | 120,000               | 1,800,000             |
|           | Hussain Rassai   | Remuneration  | -                     | -                     |
|           |  | Rent  | 120,000               | 1,800,000             |
|           | Shamima Rassai   | Remuneration  | 144,000               | 144,000               |
|           |  | Rent  | -                     | 1,800,000             |
|           | Yakuta Rassai  | Salary  | 480,000               | 480,000               |
|           | Sakina Rassai  | Salary  | 480,000               | 480,000               |
|           | Ashar Traders  | Sales   | -                     | 4,844,000             |
|           |  |   |                       |                       |
| <b>c.</b> | <b>Outstanding balances</b>  |   |                       |                       |
|           |  |   | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|           | Balances (payable)/ receivable at the year end   |   |                       |                       |
|           | Deposits   |   | 7,200,000             | 10,800,000            |

**Notes on Financial Statements for the Year ended 31st March, 2019**

| 30                                | Fair value measurements        | AS at March 31, 2019 |  |       |  |                    |  | As at March 31, 2018 |  |                    |  |       |  |                    |  |                   |
|-----------------------------------|--------------------------------|----------------------|--|-------|--|--------------------|--|----------------------|--|--------------------|--|-------|--|--------------------|--|-------------------|
|                                   |                                | Carrying value       |  | FVTPL |  | FVTOCI             |  | Amortized Cost       |  | Carrying value     |  | FVTPL |  | FVTOCI             |  | Amortized Cost    |
| Financial instruments by category |                                | Rs.                  |  | Rs.   |  | Rs.                |  | Rs.                  |  | Rs.                |  | Rs.   |  | Rs.                |  | Rs.               |
| <b>Financial Assets:</b>          |                                |                      |  |       |  |                    |  |                      |  |                    |  |       |  |                    |  |                   |
|                                   | Cash and cash equivalents      | 754,009              |  | -     |  | -                  |  | 754,009              |  | 4,749,123          |  | -     |  | -                  |  | 4,749,123         |
|                                   | Other bank balances            | -                    |  | -     |  | -                  |  | -                    |  | 49,830,025         |  | -     |  | -                  |  | 49,830,025        |
|                                   | Security deposits              | 7,200,000            |  | -     |  | -                  |  | 7,200,000            |  | -                  |  | -     |  | -                  |  | -                 |
|                                   | Other Financial assets         | 87,212,520           |  | -     |  | -                  |  | 87,212,520           |  | 588,839            |  | -     |  | -                  |  | 588,839           |
|                                   | Investments in unquoted shares | 365,728,622          |  | -     |  | 365,728,622        |  | -                    |  | 407,919,520        |  | -     |  | 407,919,520        |  | -                 |
|                                   |                                | <b>460,895,152</b>   |  | -     |  | <b>365,728,622</b> |  | <b>95,166,529</b>    |  | <b>463,087,507</b> |  | -     |  | <b>407,919,520</b> |  | <b>55,167,987</b> |
|                                   |                                |                      |  |       |  |                    |  |                      |  |                    |  |       |  |                    |  |                   |
|                                   |                                |                      |  |       |  |                    |  |                      |  |                    |  |       |  |                    |  |                   |
|                                   |                                |                      |  |       |  |                    |  |                      |  |                    |  |       |  |                    |  |                   |
| <b>Financial Liabilities:</b>     |                                |                      |  |       |  |                    |  |                      |  |                    |  |       |  |                    |  |                   |
|                                   | Other financial liabilities    | 2,670,000            |  | -     |  | -                  |  | 2,670,000            |  | 2,748,840          |  | -     |  | -                  |  | 2,748,840         |
|                                   |                                | <b>4,333,438</b>     |  | -     |  | -                  |  | <b>4,333,438</b>     |  | <b>4,098,224</b>   |  | -     |  | -                  |  | <b>4,098,224</b>  |

**Notes on Financial Statements for the Year ended 31st March, 2019**

**Fair value measurements recognized in the Balance Sheet:**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

|                                | Level 1        |                | Level 2        |                | Level 3            |                    |
|--------------------------------|----------------|----------------|----------------|----------------|--------------------|--------------------|
|                                | March 31, 2019 | March 31, 2018 | March 31, 2019 | March 31, 2018 | March 31, 2019     | March 31, 2018     |
| <b>Financial Assets</b>        |                |                |                |                |                    |                    |
| Investments in unquoted shares | -              | -              | -              | -              | 365,728,622        | 407,919,520        |
| <b>Financial Liabilities</b>   |                |                |                |                |                    |                    |
|                                | -              | -              | -              | -              | <b>365,728,622</b> | <b>407,919,520</b> |

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The fair value of loans from banks and other financial indebtedness as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.

**31 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

As per the information available with the Company, there are no Micro, Small, and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal or interest.

The above information regarding Micro, Small, and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

|           |  |  |  |  |                           |
|-----------|--|--|--|--|---------------------------|
| <b>32</b> | <b>Income tax Reconciliation</b>   |  |  |  |                           |
| <b>A</b>  | <b>Income Tax recognised in the statement of profit &amp; loss</b>   |  |  |  |                           |
|           |  |  |  |  | <b>for the year ended</b> |
|           |  |  |  |  | <b>March 31, 2019</b>     |
|           |  |  |  |  | <b>March 31, 2018</b>     |
|           | Profit before taxes  |  |  |  | 3,255,005                 |
|           | Current tax on taxable income for the period   |  |  |  | 1,568,343                 |
|           | Effective tax rate   |  |  |  | <b>48.18%</b>             |
| <b>B</b>  | <b>Reconciliation between statutory Income Tax Rate applicable to the company and the effective Income Tax rate is as follows :</b>  |  |  |  |                           |
|           |  |  |  |  | <b>for the year ended</b> |
|           |  |  |  |  | <b>March 31, 2019</b>     |
|           |  |  |  |  | <b>March 31, 2018</b>     |
|           | Profit before taxes  |  |  |  | 3,255,005                 |
|           | Effective tax rate in India:   |  |  |  | 29.87%                    |
|           | Tax as per effective tax rate in India   |  |  |  | 972,270                   |
|           | Tax effect of adjustment for profit  |  |  |  | 596,072                   |
|           | Income tax expense recognised in the profit and loss account   |  |  |  | 1,568,343                 |
|           |  |  |  |  | (616,283)                 |
|           |  |  |  |  | 29.87%                    |
|           |  |  |  |  | -                         |
|           |  |  |  |  | -                         |
|           |  |  |  |  | -                         |
| <b>33</b> | <b>Financial risk Management objectives and policies</b>   |  |  |  |                           |
|           | The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Risk Management committee   |  |  |  |                           |
|           | The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits and loans and borrowings.   |  |  |  |                           |
|           | The company manages market risk through Risk Management committee, which evaluates and exercises independent control over the entire process of market risk management. The committee recommends risk management objectives and policies, which are approved by Risk Management and Board.   |  |  |  |                           |
| <b>a</b>  | <b>Market Risk</b>   |  |  |  |                           |
|           | Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and FVTOCI investments. |  |  |  |                           |
|           | The sensitivity analyses in the following sections relate to the position as at 31 March 2019 and 31 March 2018  |  |  |  |                           |
|           | The following assumptions have been made in calculating the sensitivity analyses:  |  |  |  |                           |

|  |  |  |  |                       |                       |
|--|--|--|--|-----------------------|-----------------------|
|  | The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018 and 31 March 2017.  |  |  |                       |                       |
|  | The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges at 31 March 2019 for the effects of the assumed changes of the underlying risk  |  |  |                       |                       |
|  |  |  |  |                       |                       |
|  | <b>i) Interest rate risk</b>   |  |  |                       |                       |
|  | Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in interest rates.  |  |  |                       |                       |
|  |  |  |  |                       |                       |
|  | <b>Since there are no borrowing. Exposure of borrowing to Interest rate risk changes at the end of the reporting period is NIL</b>   |  |  |                       |                       |
|  |  |  |  |                       |                       |
|  | <b>ii) Price risk</b>  |  |  |                       |                       |
|  | The Company is engaged in the business of yarn. Thus, demand in these sectors will have a direct impact on the business of the Company. A decline in the demand for Yarn. will adversely affect the business of the company. Thus, often, the factors affecting the supply and demand for the yarn are beyond the control of the Company as the nature, timing and degree of changes in the industry conditions cannot be foreseen and are unpredictable.  |  |  |                       |                       |
|  |  |  |  |                       |                       |
|  | <b>iii) Foreign currency risk</b>  |  |  |                       |                       |
|  | Foreign currency risk mainly arises from transactions undertaken by an operating unit denominated in currencies other than its functional currency. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company manages its foreign currency risk by converting the foreign currency exposure into INR on the date of entering into the transaction. |  |  |                       |                       |
|  |  |  |  |                       |                       |
|  | The carrying amounts of the Company's financial assets and financial liabilities denominated in foreign currencies at the reporting date expressed in INR, are NIL   |  |  |                       |                       |
|  |  |  |  |                       |                       |
|  | <b>Credit risk</b>   |  |  |                       |                       |
|  | Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.                       |  |  |                       |                       |
|  |  |  |  |                       |                       |
|  |  |  |  | <b>March 31, 2019</b> | <b>March 31, 2018</b> |
|  |  |  |  | <b>Rs</b>             | <b>Rs</b>             |
|  | Trade Receivables  |  |  | -                     | -                     |
|  | Other Financial Assets   |  |  | 93,696,599            | Nil                   |
|  |  |  |  |                       |                       |

|   |  |                     |                  |                          |
|---|--|---------------------|------------------|--------------------------|
| <b>Liquidity Risk</b>   |  |                     |                  |                          |
| <p>Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.</p> |  |                     |                  |                          |
| <p>The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:</p>   |  |                     |                  |                          |
| <b>Maturity Analysis of Significant Financial Liabilities</b>   |  |                     |                  |                          |
| <b>As at March 31, 2019</b>   | <b>Contractual Cash Flows</b>            |                     |                  |                          |
|   | <b>Total</b>                             | <b>Up to 1 year</b> | <b>3-5 years</b> | <b>More than 5 years</b> |
|   | <b>Rs.</b>                               | <b>Rs.</b>          | <b>Rs.</b>       | <b>Rs.</b>               |
| <b>Financial Instruments</b>  |  |                     |                  |                          |
|   | Trade Payables                           | 1,663,438           | 1,663,438        | -                        |
|   | Other Non- Current financial liabilities | 2,670,000           | -                | 2,670,000                |
|   |  | <b>4,333,438</b>    | <b>1,663,438</b> | <b>2,670,000</b>         |
|   |  |                     |                  |                          |
|   |  |                     |                  |                          |
| <b>As at March 31, 2018</b>   | <b>Contractual Cash Flows</b>            |                     |                  |                          |
|   | <b>Total</b>                             | <b>Up to 1 year</b> | <b>3-5 years</b> | <b>More than 5 years</b> |
|   | <b>Rs.</b>                               | <b>Rs.</b>          | <b>Rs.</b>       | <b>Rs.</b>               |
| <b>Financial Instruments</b>  |  |                     |                  |                          |
|   | Borrowings                               | -                   | -                | -                        |
|   | Trade Payables                           | 1,349,384           | 1,349,384        | -                        |
|   | Other Non Current financial liabilities  | 2,670,000           | -                | 2,670,000                |
|   | Other Current financial liabilities      | 78,840              | 78,840           | -                        |
|   |  | <b>4,098,224</b>    | <b>1,428,224</b> | <b>2,670,000</b>         |



VYAPAR INDUSTRIES LIMITED

CIN: L65990MH1983PLC029875

Registered Office: 145, S.V. Road, Khar (West), MUMBAI – 400 052

**ATTENDANCE SLIP**

|                                   |  |
|-----------------------------------|--|
| Name of the member(s):            |  |
| Name of the Proxy:                |  |
| Folio No. / * DP id and Clint id: |  |

*\*Applicable for investors holding shares in electronic form*

I hereby record my presence at the 33<sup>RD</sup> ANNUAL GENERAL MEETING of the Company held on Monday, September 30, 2019 at 03:00 p.m. at 145, S.V. Road, Khar (W), MUMBAI – 400 052.

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

**Notes:**

1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
2. Joint shareholders may obtain attendance slip at the venue of the meeting.

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VYAPAR INDUSTRIES LIMITED

CIN: L65990MH1983PLC029875

Registered Office: 145, S.V. Road, Khar (West), MUMBAI – 400 052



**Form No. MGT- 11  
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

|                        |  |                                |  |
|------------------------|--|--------------------------------|--|
| Name of the member(s): |  | E-mail id:                     |  |
| Registered Address:    |  | Folio No./*DP id and Clint id: |  |

*\*Applicable for investors holding shares in electronic form*

|    |          |  |            |  |
|----|----------|--|------------|--|
| 1. | Name :   |  | E-mail id: |  |
|    | Address: |  | Signature: |  |

Or failing him

|    |          |  |            |  |
|----|----------|--|------------|--|
| 1. | Name :   |  | E-mail id: |  |
|    | Address: |  | Signature: |  |

Or failing him

|    |          |  |            |  |
|----|----------|--|------------|--|
| 1. | Name :   |  | E-mail id: |  |
|    | Address: |  | Signature: |  |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, September 30, 2019 at 03:00 p.m. at 145, S.V. Road, Khar (W), MUMBAI – 400 052 and at any adjournment thereof in respect of such resolutions as are indicated below.

S.No. Resolutions

1. Adoption of audited financial statements, Report of Board of Directors and Auditors for the year ended March 31, 2019.
2. Appointment of Director in place of Mr. Hussain A. Rassai, who retires by rotation and be eligible , Offers himself for reappointment.
3. Appointment of Director in place of Mr. Akil A. Rassai, who retires by rotation and being eligible ,Offers himself for reappointment.
4. Appointment of Auditors of the Company.
5. Reappointment of Mr. Ramesh W. Lalwaney as Independent Director of the Company.
6. Reappointment of Mr. Hussain Cementwala as Independent Director of the Company.

Signed this..... day of ..... 2019

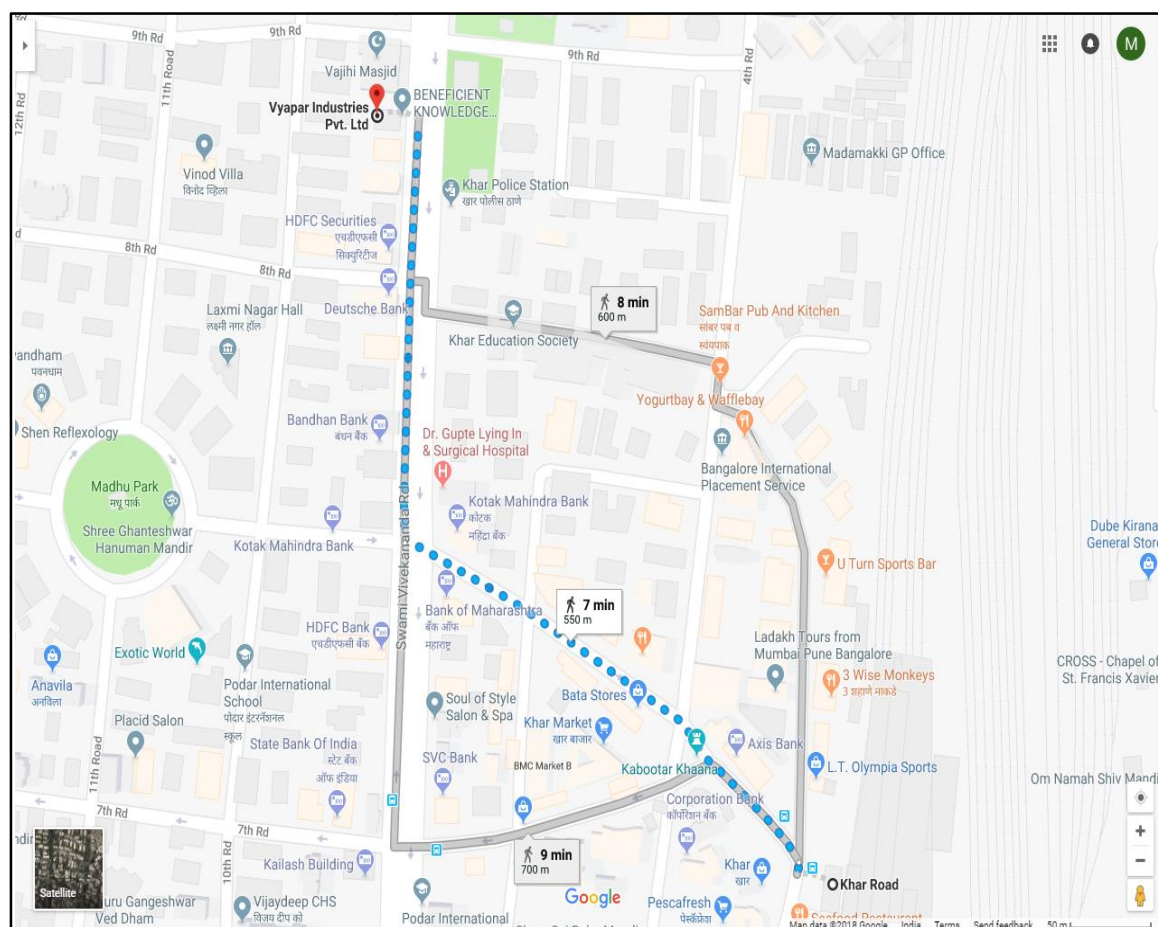
\_\_\_\_\_  
Signature of Shareholder



\_\_\_\_\_  
Signature of proxy

**Note:** This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





AGM Venue: -145, S.V. Road, Khar (West), Mumbai - 400 052

Date: - Monday, September 30, 2019

Time: - 3.00 p.m.