



# Bindal Exports Limited

Date: 31/08/2020

To,  
Department of Corporate Service,  
Bombay Stock Exchange Limited,  
1<sup>st</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001

REF: Scrip Code: 540148  
ISIN: INE564V01013

Sub.: Annual Report of 2019-20 including Notice of 13<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Wednesday, 30<sup>th</sup> September, 2020 at 12:30 P.M.

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are submitting herewith Annual Report for financial year 2019-20 along with the Notice of 13<sup>th</sup> Annual General Meeting of the members of Bindal Exports Limited ("the company") scheduled to be held on **Wednesday, 30<sup>th</sup> September, 2020** at the Registered Office of the Company situated at **Block No. 270, Bindal house, Surat-Kadodara Road, Kumbharia, Surat, Gujarat-395010 at 12:30 P.M.** to consider and approve the business specified in notice convening the 13<sup>th</sup> Annual General Meeting.

We request you to please take same on record and disseminate to all concerned.

Thanking You

Yours Faithfully,  
FOR AND ON BEHALF OF  
BINDAL EXPORTS LIMITED

Dhruvi Shyam Kapadia  
Company Secretary and Compliance Officer  
M. No.: A61947



★ A Govt. Recognized Star Export House ★

**Office :**

Bindal House, Kumbharia, Surat-Kadodara Road, SURAT - 395 010, Gujarat, India.

Tel. : +91 261 2640706, Fax : +91 261 2640705

Website : [www.bindalexports.com](http://www.bindalexports.com), E-mail : [info@bindalexports.com](mailto:info@bindalexports.com)

**Factory :**

P-216, Kadodara Char Rasta, Kadodara, Tal. Palsana, Dist. Surat - 394 327, India.

Tel. : +91 2622 271009, 273109, 272801

CIN : L51109GJ2007PLC050915

2019-2020

BINDAL EXPORTS LIMITED



13<sup>TH</sup> ANNUAL REPORT



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### OUR VISION



- ✦ Our rooted values enable us to envision to grow better.
- ✦ Create value for shareholders and allied industries.
- ✦ Remain efficient & positive in developing new markets and products.
- ✦ Endeavour for the ultimate customer satisfaction.
- ✦ Satisfy requirement with right use of technology and right Attitude.

### OUR MISSION



- ✦ Provide superior quality products at competitive prices and establish a brand value in the international area.
- ✦ Exceed industry standards with exceptional customer and technical service.
- ✦ Maintain our competitive strategic position through leading edge technology.
- ✦ Provide a safe, fulfilling and rewarding work environment for employees.

## About Us

Bindal Group of companies has a diversified portfolio in the field of textiles ranging from business activities in textile processing, designing and manufacturing to global trading. Established in 1980 with our first polyester processing plant being set up, we processed and exported more than **60 million meters** of cloth. We focus on delivering the highest quality by rigorous R&D, defined processes and stringent quality policies backed by experienced staff thus evolving into a **manufacturer and processor of world-class garments and apparel fabrics** selling directly to manufacturers, exporters, importers, retailers and indirectly to brands like H&M, Marks and Spencer, Tommy Hilfiger, Zara, Mango, Walmart, Macy's, Bestseller, Next, Benetton etc.

**Bindal Exports Limited** established in 1997, Bindal Exports Ltd's goal is to exceed customer expectations with the quality of its products. Involved in manufacturing and export of textiles; it specializes in diverse international styles, varied colors and specialty finishes which are tailor-made to customer's requirement. Special focus is laid on highest quality parameters of color fastness, dimensional stability, yarn quality, azo-free, pcp-free requirements and quality assessment in compliance to export standards.

The **product portfolio** in fabrics includes dyed and printed fabrics of 100% polyester woven as well as knitted qualities, stoles, scarves and parios along with various types of value additions. The company is capable of delivering fabrics of multiple repeats, multiple widths as well as digitally printed fabrics. Versatility is evident as fabric for ethnic as well as western ready-made garments are offered with ease.

At the domestic level, the company supplies to garment houses and brands based out of Bengaluru, Mumbai, Jaipur and NCR Region. At international level the **main markets** in which products are sold include U.K, Egypt, Middle East & South East Asia.

**Bindal Silk Mills** (state-of-art dyeing and printing plant of Bindal Group) specializes in precision printing with respect to color, design and finish and has modern updated machinery like MHMS Austria make rotary printing machine, Fimat Italy make rotary screens recovery equipment, Screenotex make PLC controlled fully automatic flat- bed printing machine, Motex make hot air stenter with Bianco S.P.A. Italy make fabrics centering & weft straightening system and a well-equipped laboratory.

## Certifications and Achievements

Bindal Exports, an Indian government recognized **Star Export House**, derives special benefits and allowances from the government. As it mostly processes in Bindal mill which is certified successfully by stringent global quality standard - **Oeko-Tex® 100 standard**, the products are skin friendly. Also, Bindal mill is certified by GRS (Global Recycle Standard) enabling complete transparency in processing of recycled polyester.



## **CHAIRMAN'S MESSAGE**



**Dear Shareholders,**

Bindal Exports Limited is happy to present to you its 13<sup>th</sup> Annual Report pertaining to financial year 2019-20. On behalf of the Board of Directors and the Company, it is my pleasure to extend a warm welcome to you all to the 13<sup>th</sup> Annual General Meeting of the Company. The Company focused to play on its strengths and posted a stable financial performance. We take this opportunity to acknowledge the support, expertise and faith in us, demonstrated by you all.

While this was a year of extreme economic challenges for the world, never had we imagined an environment aggravated beyond measures by Covid-19 pandemic. According to the World Bank, the global economy decelerated to an estimated 2.4 percent in 2019, the slowest pace since the global financial crisis. The macro-economic factors that caused a slowdown in FY 2019-20 will continue in FY 2020-21, with the first half of calendar year 2020 completely dominated by the pandemic and the consequent lockdowns. The COVID-19 pandemic has created an extreme pressure on global economies and has severely hit many industries, the Indian Textile Industry not being immune to this slowdown and challenges.

Going forward, the Covid-19 pandemic may have an extended impact and despite the bleak macroeconomic scenario in the near term, we wish to remain optimistic and recalibrate growth strategy to address these challenges and to make use of the new opportunities.

I wish to thank all our stakeholders who are standing by us through this difficult time and express my sincere gratitude to our shareholders, bankers, customers, Board of Directors and our committed employees. These are challenging and uncertain times, as a company and community, we can get through this and rise together.

Regards,

**Ravindrakumar Kanhaiyalal Arya.**

**BRIEF PROFILE OF DIRECTORS****❖ Mr. Ravindrakumar Kanhaiyalal Arya- Chairman & Managing Director of the Company**

Born on 8th August, 1960, Mr. Ravindrakumar Kanhaiyalal Arya has 40 years of experience in management and operation of Textile Business. He is a Commerce graduate from Calcutta University. Providing industry wise leadership and Management strategy are his key area of expertise. In 1994, He became CMD of Bindal Silk Mills Pvt. Ltd. – one of Surat’s leading dyeing and printing houses. He has led the company to reputed heights, with distinction of becoming the first process house in South Gujarat to get the Oeko-Tex-100 certificate. This certificate is given for producing Eco and human friendly Textiles. They produce textiles for the renowned brands of Europe and USA. He is a Vice President of SGTPA (The South Gujarat Textile Processors’ Association) and also a Chairman of Southern Gujarat Zonal Council of CII.

He is a Rotarian for 25 years. He is Chartered Member and past president of Rotary Club of Surat Sea Face. He is a Paul Harris Fellow. He was also instrumental in creating club endowment fund. He has been to USA as part of RFE exchange program. He regularly hosts guests coming to District under GSE, RFE and IYE programs. He was the chairman of District Directory Committee during 2016-17. He is Assistant Governor for year 2018-19.

**❖ Mr. Anupam Ravindra Arya- Executive Director of the Company**

Born on 13th November, 1987, Mr. Anupam Ravindra Arya has done an Engineering from NIT and MBA from IIM-K. He has an experience of more than 8 years in textile Industry being associated with Bindal Exports Limited, currently holding position of Executive Director in Bindal Exports Limited. He has expertise in company’s financial planning, credit Management, Strategic Management and well aware about International Market.

**❖ Mr. Apurva Ravindra Arya- Non-Executive Director of the Company**

Born on 20th March, 1990, Mr. Apurva Ravindra Arya is a young and dynamic person and Chartered Accountant by qualification. He is associated with the company since 2016. He is a person who has a way of reaching out to the hearts and minds of his colleagues. Mr. Apurva Ravindra Arya sincerely believes in capability development, ethics and joy at the workplace. He is responsible for handling work related to Corporate Finance and Accounting, Secretarial and legal issues. Mr. Apurva Ravindra Arya is also striving to build Bindal Exports Limited into a trusted corporate brand with total excellence.

**❖ Mr. Ashokkumar Chhajulal Sharda- Non-Executive and Independent Director of the Company**

Born on 1st January, 1964, is qualified as a chartered Accountant in 1987. He has been in the financial sector for over 30 years. He has many years of experience in the field of textile industry.

**❖ Mr. Adityabhai Jagdishbhai Joshi- Non-Executive and Independent Director of the Company**

Born on 19th April, 1985, is an Advocate by Profession. He is having required knowledge and skills to enable the company for taking better decisions and contribute to the betterment of the company.



**CORPORATE INFORMATION**

**BOARD OF DIRECTORS:**

Mr. Ravindrakumar Arya	Chairman & Managing Director
Mr. Anupam Arya	Executive Director
Mr. Apurva Arya	Non-Executive Director
Mr. Ashokkumar Sharda	Non-Executive Independent Director
Mr. Aditya Joshi	Non-Executive Independent Director

**CHIEF FINANCIAL OFFICER:**

Ms. Nishidha Ajay Agarwal

**COMPANY SECRETARY**

Ms. Dhruvi Shyam Kapadia (Appointed w.e.f. 29/07/2020)

Ms. Kiran Goklani (Ceased w.e.f. 14/03/2020)

**STATUTORY AUDITORS:**

SNK & CO.  
Chartered Accountants, Surat

**PRINCIPAL BANKER:**

Kotak Mahindra Bank

**REGISTERED OFFICE:**

Block No.270, Bindal House, Near Kumbharia Bus Stand,  
Surat-Kadodara Road, Kumbharia, Surat-395010 Gujarat

Tel No. : +91-261-2640706

Email: cs@bindalexports.com

Website: www.bindalexports.com

**FACTORY:**

270, Bindal House, Second Floor, Surat-Kadodara Road,  
Saroli, Kumbharia, Surat-395010.

**REGISTRAR AND SHARE TRANSFER AGENT:**

Bigshare Services Private Limited  
E- 2/3, Ansa Industrial Estate, Saki vihar Road Sakinaka,  
Andheri (E), Mumbai- 400072, Maharashtra, India

Tel: +91-22- 62638200 Fax: +91-22-62638299

Email: investor@bigshareonline.com

**CORPORATE IDENTITY NUMBER:**

L51109GJ2007PLC050915

**NOTICE**

Notice is hereby given that the Thirteenth Annual General Meeting of the members of Bindal Exports Limited will be held on Wednesday, 30<sup>th</sup> September, 2020 at 12:30 p.m. at the Registered office of the company at Block No.270, Bindal house, Surat-Kadodara Road, Kumbharia, Surat, Gujarat-395010 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements of the company for the Financial Year ended 31st March, 2020 along with Boards' report and Auditors' Report thereon.
2. To appoint Director in place of Mr. Apurva Arya (DIN: 06558623), who retires by rotation, and being eligible, offers himself for reappointment.
3. To consider re-appointment of Statutory Auditors and in this connection, to consider and thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to section 139,141 and 142 of the Companies Act, 2013, read with Companies ( Audit and Auditors ) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other applicable provisions, if any, and as recommended by the Board and Audit Committee, the consent of the members be and is hereby accorded to re-appointment of M/s. SNK & Co., Chartered Accountants, bearing (Registration No.109176W), as a Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held in the financial year 2024. “

**SPECIAL BUSINESS:**

4. To approve Related Party Transaction and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“**RESOLVED THAT** pursuant to section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014, in terms of Regulations 23 of SEBI (Listing Obligations and Disclosure Requirements) Rule, 2015 (including any statutory modifications or enactment thereof for the time being in force), and also pursuant to the consent of Audit Committee and the board of director vide resolution passed in the meeting, approval of the members be and is hereby accorded for entering into related party transactions for period of 2020-21 financial year with effect from April 01, 2020 to March 31, 2021, which were in the ordinary course of business and at arm's length basis and up to the maximum amounts per annum as appended below:

**Particulars of Proposed Transactions for the purpose of approval u/s188 of the Companies Act, 2013 Maximum value of contract/ transaction (April 01, 2020 to March 31, 2021) (Per annum)**

Name of the Related Parties	Nature of Transaction	Amount of Transaction
Bindal Silk Mills Private Limited	Purchase / Sale / Services of Goods or Material or for the purpose of Job Work of Goods or any movable or immovable property or for the purpose of any leasing or hire purchase of any movable or immovable property.	Value of transactions with all related entity in one financial year shall not exceed Rs. 50 Crore and such transactions shall be at arm's length in Ordinary Course of Business.
Bindal Exim Private Limited		
Jaybharat Filaments Private Limited		
Jaybharat Finstock Private Limited		
Jayvik Machineries Private Limited		
Laurel Apparels Private Limited		





**RESOLVED FURTHER THAT** for the purpose of giving to this Resolution, any one of the Director or Company Secretary of the Company be and is hereby authorised to do such act, deeds, matters, and things and to give such directions as may be necessary or expedient, and to settle any question, difficulty or doubt that may arise in this regards as the Board in its absolute discretion may deem necessary or desirable, and its decision shall be final and binding."

5. To increase the overall managerial remuneration and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** in accordance with the provisions of Section 197 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee, approval of the members of the Company be and is here by accorded to increase the overall limit of managerial remuneration payable by the Company in respect of any financial year from 11% (eleven per cent) to 50% (fifty per cent) of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act,2013.

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

**By order of the Board of Directors**

**Sd/-  
Dhruvi Shyam Kapadia  
Company secretary**

**Regd. Office:**

**BINDAL EXPORTS LIMITED**

Block No.270, Bindal house, Surat-Kadodara Road,  
Kumbharia, Surat, Gujarat-395010

**Date: 28/08/2020**

**Place: Surat**

**Notes:**

- 1) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- 2) In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification / Guidance on applicability of Secretarial Standards 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company i.e. Block No. 270, Bindal house, Surat-Kadodara Road, Kumbharia, Surat, Gujarat-395010 which shall be the venue of the AGM.
- 3) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HERewith AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 13<sup>TH</sup> ANNUAL GENERAL MEETING (AGM).**
- 4) **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THEAGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY**



**CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

- 5) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. The shareholder needs to furnish the printed attendance slip along with a valid identity proof such as the PAN card, passport, AADHAAR card or driving license to enter the AGM hall. Members holding equity shares in electronic form and proxies thereof are requested to bring their DP ID and Client ID for identification.
- 6) Members are requested to bring the attendance slip at the AGM. Members who hold shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip. Duplicate Attendance Slip and/or Copies of the Annual report shall not be issued / available at the venue of the meeting.
- 7) In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- 8) Pursuant to provisions of section 91 of the Companies Act, 2013, The Register of Members and Share transfer Book shall remain closed from **THURSDAY, 24<sup>TH</sup> SEPTEMBER, 2020 to WEDNESDAY, 30<sup>TH</sup> SEPTEMBER, 2020 (both days inclusive)** for purpose of 13<sup>th</sup> AGM of the Company.
- 9) Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Bigshare Service Pvt Ltd (RTA).
- 10) The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
- 11) Members must quote their Folio Number/ Demat Account Number and Contact number etc in all correspondence with the Company/ RTA.
- 12) In accordance with the proviso to Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, transmission or transposition of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

**DISPATCH OF ANNUAL REPORT, PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF NOTICE AND ANNUAL REPORT:**

- 13) In accordance with the provisions of the MCA and SEBI Circulars, the Notice along with the Annual Report is being sent through email only to Members whose email IDs are registered with Bigshare Services Private Limited (RTA) and the Depository Participant / Depository.
- 14) The Notice of the AGM and the Annual Report are available on the website of the Company viz. [www.bindalexports.com](http://www.bindalexports.com) and also on the BSE Limited viz. [www.bseindia.com](http://www.bseindia.com)
- 15) Members who have still not registered their email IDs are requested to do so at the earliest. Members holding shares in electronic mode can get their email IDs registered by contacting their respective Depository Participant. Members holding shares in physical mode are requested to register their email IDs with the Company or Bigshare Services Private Limited (RTA), for receiving the Notice and Annual Report. We urge Members to support this Green Initiative effort of the Company and get their email IDs registered.
- 16) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with rules made there under, Soft copy of the Notice of AGM along with the copy of Annual Report has been sent to those shareholders who have registered their e-mail IDs with the company or whose e-mail IDs have been made available by the Depositories. The aforesaid documents can also be accessed on the Company's website: [www.bindalexports.com](http://www.bindalexports.com) and also on the BSE Limited viz. [www.bseindia.com](http://www.bseindia.com)



- 17) To support the “Green Initiative”, Shareholders who have not registered their e-mail addresses can also register the same along with the contact numbers with the company by sending details to [cs@bindalexports.com](mailto:cs@bindalexports.com) or with Bigshare Services Pvt. Ltd. at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 18) The Company and the RTA has been mandated by Securities and Exchange Board of India (SEBI) vide circular dated April 20, 2018 for submission of Permanent Account Number (PAN) by every participant in securities market to maintain copy of the Permanent Account Number (PAN) and the Bank Account details of all the Members. Members who has not yet submitted are, therefore, requested to submit their self-attested PAN and original cancelled cheque leaf/attested bank passbook showing name of the Account Holder and Aadhaar Card to the Company/RTA.
- 19) As per the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members are advised to make nomination in respect of their shareholding in the Company. Members holding shares in physical form should file their nomination with Bigshare Services Private Limited, Company’s Registrar and Share Transfer Agents, whilst those Members holding shares in dematerialized mode should file their nomination with their Depository Participant(s).
- 20) Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details/e-mail address/mandates/nominations/power of attorney/contact numbers etc., to the Bigshare Services Private Limited, at E- 2/3, Ansa Industrial Estate, Saki vihar Road Sakinaka, Andheri (E), Mumbai- 400072, Maharashtra, India, Tel: +91-22- 62638200 Fax: +91-22-62638299, Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)
- 21) Members holding shares in electronic form are requested to intimate immediately any changes pertaining to their address/ bank account details/ e-mail address/mandates, nominations/power of attorney/contact numbers etc., if any, directly to their Depository Participant(s) with whom they maintain their demat accounts.
- 22) Non- Resident Indian members are requested to inform directly to the RTA quoting reference of their Folio Number or their Client Id number with DP ID Number as case may be immediately:
  - a. The Change in the residential status on return to India for permanent Settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- 23) Members seeking any information relating to the Accounts may write to the company at least 7 days before the date of the Meeting, so as to enable the Company to keep the information ready at following address: Accounts Department, Bindal Exports Limited, Blok No. 270, Near Kumbharia Bus Stand, Surat-Kadodara Road, Kumbharia, Surat, Gujarat- 395006, Tel No. : +91-261-2640706, Email: [cs@bindalexports.com](mailto:cs@bindalexports.com)
- 24) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 25) The facility for voting through ballot paper shall be made available at the AGM. The members attending the meeting shall be able to exercise their right of demanding poll.
- 26) A person who is not a member as on the record date should treat this Notice for information purpose only.
- 27) The voting rights of members, in case poll is demanded, shall be in proportion to their shares of the paid up equity share capital of the Company as on the record date of Friday, 18th September, 2020.

- 28) Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the record date i.e. 18th September, 2020 can also attend the meeting.
- 29) Mr. Jinendra Jain of M/s. Jinendra Jain & Associates, Company Secretary, Surat, has been appointed as the Scrutinizer to scrutinize the Ballot voting at the ensuing Annual General Meeting of the company process in a fair and transparent manner.
- 30) The scrutinizer shall within a period of not exceeding two working days from the conclusion of the voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- 31) The results of the voting along with the scrutinizer's report shall be placed on company's website within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the Bombay stock exchange, where the shares of the Company are listed.

### ANNEXURE TO THE NOTICE

#### **Explanatory Statement setting out material facts under Section 102 of the Companies Act, 2013**

#### **Item No. 4**

As per the provision of Section 188 (1) of the Companies Act, 2013 "Related party Transactions" requires obtaining prior consent of the Board where transactions proposed to be entered into falls in the list of items referred therein and are within threshold limits prescribed under Rule 15 of Companies (Meeting of Board of and its Power) Rules, 2015. As per the provision the approval of the shareholders in the General Meetings is required by way of passing resolution. Provisions of section 188 further provides that nothing contained in sub-section (1) of Section 188 applies where transactions are entered into by the company in the ordinary course of business other than transactions which are not on arm's length basis.

All the transactions entered and proposed to be entered by the Company with M/s. Bindal Silk Mills Pvt Ltd, M/s. Bindal Exim Pvt Ltd, M/s. Jaybharat Filaments Pvt Ltd, M/s. Jaybharat Finstock Pvt Ltd, M/s. Jayvik Machineries Pvt Ltd, and M/s. Laurel Apparels Pvt Ltd. are in the ordinary course of business and are at arm's length basis.

In terms of Regulation 23 of LODR Regulation, all material related party transactions shall require approval of the shareholders through passing resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not, notwithstanding such transactions have been done at arm's length basis and normal course of business.

A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent (10%) of the annual turnover of the listed entity as per the last audited financial statements of the listed entity.

Accordingly, the Board of Directors of the company requires the member's approval by way of passing Resolution as set out in this Notice.

Mr. Ravindrakumar Arya, Managing Director; Mr. Anupam Arya, Executive Director; Mr. Apurva Arya, Non-Executive Director; and their relatives or related entities are, in any way, concerned or interested in the resolution as set out in this Notice.

**Item No. 5:**

As per Section 197 of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017 which has become effective since September 12, 2018, total managerial remuneration payable by the Company to its directors, including managing director and whole-time director and its manager in respect of any financial year may exceed 11% (eleven per cent) of the net profits of the Company calculated as per the Section 198 of the Companies Act, 2013, provided that the same has been approved by the shareholders of the Company by way of Ordinary Resolution/ Special Resolution. The requirement of Central Government approval which was hitherto required has been done away with.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 28/08/2020 recommended to increase in overall limit of managerial remuneration payable by the Company in respect of any financial year from 11% to 50% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013.

Accordingly, the Board recommends the special resolution set out at item no. 5 for approval of members.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Ravindrakumar Arya (Managing Director), Mr. Anupam Arya (Director), Mr. Apurva Arya (Director) and Ms. Nishidha Agarwal (CFO) are considered to be interested or concerned in the above resolution.

**Annexure-A**
**DISCLOSURE PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, RELATING TO DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

<b>Name of Director</b>	Apurva Arya
<b>DIN</b>	06558623
<b>Date of Birth</b>	20/03/1990
<b>Date of first Appointment</b>	29/08/2016
<b>Educational Qualification</b>	C.A.
<b>Expertise in Specific Functional Area and Experience</b>	Having several years of experience in business development, operations and generation of revenue in this sector in which the Company operates.
<b>Directorship held in other Public and Private Companies</b>	1. Jaybharat Filaments Private Limited 2. Jayvik Machineries Pvt Ltd 3. Jaybharat Finstock Private Limited
<b>Committee positions held in other Companies</b>	NIL
<b>No. of Equity Shares held in the Company as on 31/03/2020</b>	NIL
<b>Inter se Relationship</b>	Son of Mr. Ravindra Arya, Managing Director of the Company



**DIRECTORS' REPORT**

**To,  
The Members,  
BINDAL EXPORTS LIMITED**

Your Directors have pleasure in presenting the 13th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2020.

**1. FINANCIAL PERFORMANCE OF THE COMPANY :**

Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Revenue from operations	34,60,82,604	32,25,09,947
Other income	6,77,167	9,52,025
Profit Before Interest & Depreciation	99,62,673	1,02,19,481
(-) Finance Cost	82,73,479	82,83,913
(-) Depreciation	2,91,396	5,58,705
Profit before tax & Exceptional items	16,89,194	19,35,568
(+) Exceptional Items	0	0
Profit Before Tax	16,89,194	19,35,568
(-) Tax Expense	(1,95,481)	10,07,373
Profit for the year after tax	18,84,675	9,28,195
Earnings Per Share (Basic & Diluted) (In `)	0.41	0.20

**2. RESULTS OF OPERATION:**

The revenue from operations during the financial year 2019-2020 stood at ₹3,460.82 lakhs as compared to ₹ 3,225.09 lakhs in the previous financial year. Domestic revenue constitutes 91.44% of total revenue from operations and Export revenue constitutes 8.56% of total revenue from operations.

Your Company recorded a net profit of ₹ 18.85 lakhs in the current year as compared to ₹9.28 lakhs in the previous year. The Company has reported Earnings per Share of ₹ 0.41 during the current year against ₹ 0.20 in the previous year.

Amidst the tough economic state of affairs, the performance achieved is the cumulative outcome of multiple factors such as product rationalization, capacity optimization, risk management, cost control measures, opting best financial solutions, seeking successful partnerships and efforts for exploring alliances, etc. taken by the management of your Company.

**3. COVID-19 PANDEMIC:**

In the last month of F.Y. 2019-2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity resulting temporary closure of our manufacturing operations. The Company had resumed its operations in a gradual manner putting in place the mandatory protocols for all our employees as per the guidelines stipulated by the Ministry of Home Affairs of the Government of India. The policies revolve around safety, for self, Safety at Home, Safety for family, Safety in Transit, Safety of Colleagues, Safety at Workplace and Safety for Community. There had been a temporary halt in the supply chain of the Company due to the lockdown regulations, however the supply chain now is slowly coming back to its normal phase; the problem of shortage of migrant workers at factory premises is being faced by the business at this time. The industry is expected to be sluggish. The recovery of the industry depends on how fast the migrant workers resume to work. Impact may be negative based on prevailing circumstances. April - June 2020 being lockdown quarter, the revenues and profitability of the Company are adversely impacted.

RBI has announced moratorium of loan for the period March 2020 to August 2020 which the company is availing. This will help in strengthening the company's finances/liquidity position. The profitability position will improve once the company's operation return to normal level which is expected by September, 2020. April - June 2020 being lockdown quarter, the revenues and profitability of the Company are adversely impacted. The internal financial controls of the company are well intact and there is no impact on the internal financial controls of the company during the COVID-19 situation.

**4. DIVIDEND:**

Keeping in mind the overall performance and outlook for your Company, your Board of Directors recommend that this time the company is not declaring dividends as the company require funds for its business expansion. Your Directors are unable to recommend any dividend for the year ended 31st March, 2020.

**5. SHARE CAPITAL:**

The Company has one class of share i.e. ordinary share of face value of ₹ 10/- each. There was no change in the share capital of the Company during the year under review. The issued, subscribed and fully paid up ordinary share capital of the Company as at 31st March, 2020 stood at ₹460.04 lakhs consisting of 4600400 fully paid up ordinary shares of ₹10/- each.

**6. EXTRACT OF ANNUAL RETURN:**

In accordance with Section 134(3) (a) of the Companies Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the annual return in the prescribed format is annexed as Annexure- 1 to the Director's Report.

The web link for the Annual Return placed on the Company's website is <http://www.bindalexports.com/>.

**7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

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

**8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Circular/ Notifications/ Directions issued by Reserve Bank of India from time to time, the Management Discussion and Analysis of the financial condition and result of consolidated operations of the Company for the year under review is presented as an integral part of this Annual Report.

**9. CORPORATE GOVERNANCE REPORT:**

We wish to inform the members that in term of Regulation 15 (2) (b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Corporate Governance is not applicable to our Company as we have listed our securities on the SME Exchange. However, your Company has been practicing the principles of good corporate governance as it is committed to maintain the highest standards of Corporate Governance.

**10. FIXED DEPOSITS:**

During the year under review, the company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

**11. BOARD OF DIRECTORS:**

- In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Apurva Arya, Director (DIN: 06558623) will retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment. The details of the aforesaid directors, his expertise in various functional

areas as required to be disclosed under Regulation 36(3) of the Listing Regulations, form part of the Notice of the ensuing Annual General Meeting.

- As on 31st March, 2020, Your Company has 5 (Five) Directors, namely,  
Mr. Ravindrakumar Kanhaiyalal Arya- Chairman and Managing Director  
Mr. Anupam Ravindra Arya- Executive Director  
Mr. Apurva Ravindra Arya - Non-Executive Director  
Mr. Ashokkumar Chhajulal Sharda - Non-Executive - Independent Director  
Mr. Adityabhai Jagdishbhai Joshi - Non-Executive - Independent Director

## **12. DECLARATION FROM INDEPENDENT DIRECTORS:**

The Independent Directors have submitted their declaration to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 read with rules framed thereunder.

## **13. BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ('SEBI Listing Regulations').

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- Expertise;
- Objectivity and Independence;
- Guidance and support in context of life stage of the Company;
- Understanding of the Company's business;
- Understanding and commitment to duties and responsibilities;
- Willingness to devote the time needed for effective contribution to Company;
- Participation in discussions in effective and constructive manner;
- Responsiveness in approach;
- Ability to encourage and motivate the Management for continued performance and success.

The evaluation involves Self-Evaluation by the Board Member and subsequent assessment by the Board of Directors. A member of the Board will not participate in the discussion of his evaluation. Accordingly, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Director at their respective meetings held for the purpose.

## **14. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading in compliance with the SEBI (Prohibition & Insider Trading) Regulations, 2015, as amended from time to time, with a view to regulate the trading in securities by the Directors and Designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of shares of the Company by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the 'Trading Window' is closed. The Board is responsible

for implementation of the code. All Directors and the designated Employees have confirmed compliance with the code.

**15. MEETINGS OF BOARD OF DIRECTORS:**

During the year under review, the Board met 5 (Five) times on May 28, 2019; August 14, 2019; September 2, 2019; November 14, 2019 and March 14, 2020. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and the Listing Regulations.

**16. MEETINGS OF MEMBERS:**

During the year under review, 12th Annual General Meeting of the Company was held on 28th September, 2019. No Extra Ordinary General Meeting was held during the financial year.

**17. POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS:**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes and other matters provided under sub section (3) of section 178 of the Companies Act 2013. The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees is available on Company's website <http://www.bindalexports.com/>.

**18. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Company has adopted Vigil Mechanism/Whistle Blower Policy in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Under this policy, your Company encourages its employees to report any reporting of fraudulent financial or other information to the stakeholders, and any conduct that results in violation of the Company's code of business conduct, to the management (on an anonymous basis, if employees so desire). Further, your Company has prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that information or participates in the investigation. The Vigil Mechanism/Whistle Blower Policy is being made available on the Company's website <http://www.bindalexports.com/>.

**19. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Company has formulated a familiarization program for the Independent Directors to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company. The details of such program are available on the Company's website <http://www.bindalexports.com/>.

**20. COMPOSITION OF KEY MANAGERIAL PERSONNEL:**

Name of KMP	Designation	Date of Appointment in current Designation	Date of Resignation
Mr. Ravindrakumar Arya	Managing Director	22/05/2007	N.A
Ms. Nishidha Agarwal	CFO	27/08/2016	N.A
Ms. Kiran Goklani *	Company Secretary	03/11/2018	14/03/2020
Ms. Dhruvi Shyam Kapadia \$	Company Secretary	29/07/2020	N.A.

\* Ceased from the post of Company Secretary of the Company w.e.f. 14/03/2020.

\$ Appointed as Company Secretary of the Company w.e.f. 29/07/2020.

## 21. COMMITTEES OF BOARD:

There are Three Committees constituted as per Companies Act, 2013, which are as follows;

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholder's Relationship Committee.

### A. Audit Committee

The Board had constituted qualified Audit Committee pursuant to provision of Companies Act, 2013 as well as Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constitution of said Committee was approved by a meeting of the Board of Directors held on May 28, 2019. The Audit Committee confirms to extant SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, approved related party transaction & accounting treatment for major items. It also fulfils the requirements as set out in the Companies Act, 2013.

During the financial year the Committee met Four (04) times; on May 28, 2019; September 2, 2019; November 14, 2019; March 14, 2020.

The Audit Committee comprises three directors, composition is as below:

Name of Director	Designation	Nature of Directorship
Mr. Ashokkumar Sharda	Chairman	Non- Executive Independent Director
Mr. Adityabhai Joshi	Member	Non- Executive Independent Director
Mr. Apurva Arya	Member	Non- Executive Director

### **Role of the audit committee:**

- 1) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are 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 being included in the Directors 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. Modified opinion(s) in the audit report.
- 5) Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or





- rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 7) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
  - 8) 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.
  - 9) Discussion with internal auditors on any significant findings and follow up there on.
  - 10) 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.
  - 11) 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.
  - 12) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - 13) To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  - 14) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  - 15) To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
  - 16) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - 17) Scrutiny of inter-corporate loans and investments.
  - 18) Valuation of Undertakings or assets of the company, wherever it is necessary.
  - 19) Evaluation of internal financial controls and risk management systems.
  - 20) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - 21) Monitoring the end use of funds raised through public offers and related matters.

**The Audit Committee shall mandatorily review the following information**

- 1) Management Discussion and 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) Management letters / letters of internal control weaknesses issued by the statutory auditors.
- 4) Internal audit reports relating to internal control weaknesses.
- 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 6) Statement of deviations:
  - a. Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Powers of the Audit Committee:**

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

**B. Nomination and Remuneration Committee**

The nominated and remuneration policy is being formulated in compliance with section 178 of the Companies Act, 2013 and rules made there under and Regulations of SEBI (Listing Obligation and Disclosure Requirements) regulations 2015.

The constitution of said Committee was approved by a meeting of the Board of Directors held on May 28, 2019.

During the year Committee met Three (03) times; on May 28, 2019; September 2, 2019; March 14, 2020.

The Nomination and Remuneration Committee comprises three directors, composition is as below:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mr. Apurva Arya	Chairman	Non- Executive Director
Mr. Ashokkumar Sharda	Member	Non- Executive Independent Director
Mr. Adityabhai Joshi	Member	Non- Executive Independent Director

**The terms of reference of the Nomination and Remuneration Committee are:**

To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole time/Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);

To be authorized at, its duly constituted meeting to determine on behalf the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole time/Executive Directors, including pension rights and any compensation payment;

Such other matters as maybe required from time to time by any statutory, contractual or other regulatory requirements to be attended to by such committee.

**C. Stakeholders Relationship Committee:**

Pursuant to Provisions of Companies Act, 2013 and rules made there under and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015; Company Constituted Shareholders Relationship Committee and Decided Role of said Committee.

The constitution of said Committee was approved by a meeting of the Board of Directors held on May 28, 2019.

During the year Committee met Four (04) times; on May 28, 2019; September 2, 2019; November 14, 2019; March 14, 2020.

Composition of Shareholders Relationship Committee is as under;

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mr. Adityabhai Joshi	Chairman	Non- Executive Independent Director
Mr. Ashokkumar Sharda	Member	Non- Executive Independent Director
Mr. Apurva Arya	Member	Non- Executive Director

The Stakeholder Relationships Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor Grievance Committee include the following:

- Redressal of shareholders' /investors' complaints;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;

- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**22. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013 that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures; the annual accounts have been prepared in compliance with the provisions of the Companies Act, 2013;
- b) 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 of the Company for year ended on that date;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis; and
- e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**23. STATUTORY AUDITORS:**

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s SNK & Co., Chartered Accountants, bearing (Registration No.109176W) were appointed as statutory auditors from the conclusion 12<sup>th</sup> Annual General Meeting till the conclusion 17<sup>th</sup> Annual General Meeting of the Company held in year 2024.

**24. AUDITORS' REPORT:**

The Auditors' Report and Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore, does not call for any further comments and explanations.

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not calls for any further comment.

**25. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

With reference to Section 134(3) (h) of the Companies Act, 2013, all contracts and arrangements with related parties under section 188 of the Companies Act, 2013 entered by the Company during the financial year, were in ordinary course of business and at arm's length basis.

Details of the related party transactions made during the year are attached as Annexure-2 in form AOC-2 for your kind perusal and information.

**26. SECRETARIAL AUDIT:**

In terms of the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Jinendra Jain & Associates, Surat, Practicing Company Secretaries to conduct the secretarial audit of the Company for the financial year 2019-2020. The Secretarial Audit Report for the financial year 2019-2020 is annexed as Annexure-3 to the Director's Report.

**27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE:**

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

**28. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to Key business objectives. Major risks identified by the Board and systematically steps taken to mitigate on a continuous basis. The Company's internal control system is commensurate with the nature of its business and the size and complexity of operations.

**29. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

**30. LISTING OF SHARES AND LISTING FEES:**

The Equity Shares of your Company are listed and actively traded on the Bombay Stock Exchange Limited (BSE). The Company has paid annual listing fees to Bombay Stock Exchange Limited (BSE) for the financial year 2020 -2021.

**31. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safe guarding 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 disclosures. The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control system is commensurate with its size, scale and complexities of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**32. INSURANCE:**

All the proper ties and the insurable interest of the company including building, plants and machinery and stocks wherever necessary and to the extent required have been adequately insured. The company keeps reviewing the insurance amount every year as per requirement.

**33. REMUNERATION AND PARTICULARS OF EMPLOYEES:**

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Disclosure pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as per Annexure-4.

**34. CORPORATE SOCIAL RESPONSIBILITY [CSR]:**

As per the provisions of section and 135 of the Companies Act, 2013 Corporate Social Responsibility (CSR) is not applicable to the Company during the year under review so there are no disclosures required under section 134 (3)(o) of the Companies Act, 2013.

**35. INDUSTRIAL RELATIONS:**

The Company maintained healthy, cordial and harmonious industrial relations at all levels.

**36. TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO IEPF:**

Since the Company was incorporated on May, 2007, there were no amount of Unclaimed dividend and interest thereon, which remained unpaid/unclaimed for a period of 7 years, required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central government pursuant to provision of Section 125 of the Companies Act, 2013.

**37. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

As required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 the particulars relating to conservation of energy, technology, absorption and foreign exchange earnings and outgo is appended as Annexure- 5 to the Director's Report.

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

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaints were received by the Company relating to sexual harassment at workplace. Further, the Company ensures that there is a healthy and safe atmosphere for every women employee/s at the workplace.

**39. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

During the year under review, there are not any significant and material orders passed by the Regulators or Courts to the Company.

**40. MAINTENANCE OF COST RECORDS & AUDIT:**

Your Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013. The provision of cost audit does not apply to your Company.

**41. SECRETARIAL STANDARDS COMPLIANCE:**

During the year under review, your Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

**42. HUMAN RESOURCES:**

The Company treats its "Human Resources" as one of its most important assets. The Company's culture promotes an environment that is transparent, flexible, fulfilling and purposeful. The Company is driven by passionate and highly engaged workforce. This is evident from the fact that the Company continues to remain the industry benchmark for talent retention. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. The Company thrust is on the promotion of talent internally through job rotation and job enlargement. During the year under review, there was a cordial relationship with all the employees. The Directors would like to acknowledge and appreciate the contribution of all employees towards the performance of the Company.

**43. ACKNOWLEDGMENT:**

Your Directors would like to express their appreciation for the assistance and co-operation received from the Financial Institutions, the Bankers, Government authorities, customers, vendors and shareholders during the year under review. Your Directors also wish to record their recognition of the customer support and patronage by the corporate houses in and





around Surat.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, which enable the Company to deliver a good all-round record performance.

**For and on behalf of the Board of Directors  
BINDAL EXPORTS LIMITED**

**Date: 28/08/2020  
Place: Surat**

**Sd/-  
Ravindrakumar K Arya  
Managing Director  
(DIN: 00033067)**

**Sd/-  
Anupam R Arya  
Executive Director  
(DIN: 00287676)**

**ANNEXURE-1 TO DIRECTORS' REPORT**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2020**

**[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company**

**(Management & Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

1	CIN	L51109GJ2007PLC050915
2	Registration Date	22 May, 2007
3	Name of the Company	Bindal Exports Limited
4	Category / Sub-Category of the Company	Company limited by shares/ Indian Non-Government Company
5	Address of the Registered office and contact details	Block No.270, Nr. Kumbharia Bus Stand, Surat-Kadodara Road, Kumbharia, Surat 395006 Ph No: 0261-2640701 E-mail: <a href="mailto:cs@bindalexports.com">cs@bindalexports.com</a> Website: <a href="http://www.bindalexports.com">www.bindalexports.com</a>
6	Whether listed company	Yes (BSE SME Platform)
7	Name, Address and Contact details of Registrar and Transfer Agent	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> E- 2/3, Ansa Industrial Estate, Saki vihar Road Sakinaka, Andheri (E), Mumbai- 400072, Maharashtra, India Tel: +91-22- 62638200 Fax: +91-22-62638299 Email: investor@bigshareonline.com

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of Other Textiles	139	100

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

S. No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

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

**i) Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change During the year	
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share		
<b>A.PROMOTERS</b>										
<b>1</b>	<b>INDIAN</b>									
a)	Individual/HUF	2049350	0	2049350	44.55	2049350	0	2049350	44.55	0
b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	1303050	0	1303050	28.32	1303050	0	1303050	28.32	0
d)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
e)	Any	0	0	0	0	0	0	0	0	0



	Others(Specify)									
	Sub-Total-[A][1]	3352400	0	3352400	72.87	3352400	0	3352400	72.87	0
<b>2</b>	<b>FOREIGN</b>									
a)	NRIs/ Individuals	0	0	0	0	0	0	0	0	0
b)	Other Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
d)	Banks/FI	0	0	0	0	0	0	0	0	0
e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-Total-[A][2]	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2 )	3352400	0	3352400	72.87	3352400	0	3352400	72.87	0
<b>B.PUBLIC SHAREHOLDING</b>										
<b>1.</b>	<b>INSTITUTIONS</b>									
a)	Mutual Funds	0	0	0	0	0	0	0	0	0
b)	Banks/FI	0	0	0	0	0	0	0	0	0
c)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
e)	Insurance Companies	0	0	0	0	0	0	0	0	0
f)	FII's	0	0	0	0	0	0	0	0	0
g)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
i)	Any Other (specify)	0	0	0	0	0	0	0	0	0
	Sub Total [B] [1]	0	0	0	0	0	0	0	0	0
<b>2.</b>	<b>NON INSTITUTIONS</b>									
a)	Bodies Corporate									
i)	Indian	16000	0	16000	0.35	0	0	0	0	(0.35)
ii)	Overseas	0	0	0	0	0	0	0	0	0
iii)	NBFCs	0	0	0	0	0	0	0	0	0
b)	Individuals									
i)	Ind-Hold nominal shr upto Rs.1L	368000	0	368000	8	368000	0	368000	8	0
ii)	Ind-Hold nominal shr capital in excess of Rs.1L	784000	0	784000	17.04	832000	0	832000	18.09	1.04
c)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
d)	Any Other (specify)	0	0	0	0	0	0	0	0	0
i)	Clearing member	56000	0	56000	1.22	24000	0	24000	0.52	(0.70)
ii)	NRIs	0	0	0	0	0	0	0	0	0
iii)	Foreign Individuals (Including FDI)	0	0	0	0	0	0	0	0	0
iv)	Trusts	0	0	0	0	0	0	0	0	0
v)	HUF	24000	0	24000	0.52	24000	0	24000	0.52	0
	Sub Total [B] [2]	1248000	0	1248000	27.13	1248000	0	1248000	27.13	0
	Total Public	1248000	0	1248000	27.13	1248000	0	1248000	27.13	0



	Shareholding [B]=[B][1]+[B][2]									
	TOTAL (A)+(B)	4600400	0	4600400	100	4600400	0	4600400	100	0
<b>C. SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED</b>										
1.	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
2.	Public	0	0	0	0	0	0	0	0	0
	Sub-Total (C)	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	4600400	0	4600400	100	4600400	0	4600400	100	0

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change during the year
		No. of Shares	% of Total Shares of the company	% of Total Shares pledged/encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Total Shares pledged/encumbered to total shares	
1	Ravindrakumar Kanhaiyalal Arya	1530000	33.26	0.0	1530000	33.26	0.0	0
2	Bindal Exim Private Limited	652800	14.19	0.0	652800	14.19	0.0	0
3	Ravindra Kanhaiyalal Ariya HUF	516970	11.24	0.0	516970	11.24	0.0	0
4	Jaybharat Filaments Private Limited	425850	9.26	0.0	425850	9.26	0.0	0
5	Jaybharat Finstock Private Limited	224400	4.88	0.0	224400	4.88	0.0	0
6	Anupam Ravindra Arya	1190	0.03	0.0	1190	0.03	0.0	0
7	Savita Ravindra Arya	1190	0.03	0.0	1190	0.03	0.0	0
	<b>Total</b>	<b>3352400</b>	<b>72.89</b>	<b>0.0</b>	<b>3352400</b>	<b>72.89</b>	<b>0.0</b>	<b>0</b>

iii) Change in Promoters' Shareholding:

	Shareholding at the beginning of the year		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	3352400	72.89	3352400	72.89
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease at the end of the year	No Change	No Change	No Change	No Change
<b>Total</b>	<b>3352400</b>	<b>72.89</b>	<b>3352400</b>	<b>72.89</b>

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and holders of GDRs and ADRs):

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	<b>Gosavi Sharad Laxman</b>				
	At the Beginning of the year	56000	1.22	56000	1.22
	No change	-	-	56000	1.22
	<b>At the end of the year</b>			<b>56000</b>	<b>1.22</b>
2.	<b>Bhoopsingh Risal Beniwal</b>				
	At the Beginning of the year	56000	1.22	56000	1.22
	No Change	-	-	56000	1.22
	<b>At the end of the year</b>			<b>56000</b>	<b>1.22</b>
3.	<b>Pantomath Stock Brokers Private Limited</b>				
	At the Beginning of the year	56000	1.22	56000	1.22
	05/04/2019	24000	0.52	80000	1.74
	02/08/2019	16000	0.35	96000	2.09
	16/08/2019	8000	0.17	104000	2.26
	23/08/2019	(24000)	(0.52)	80000	1.74
	30/08/2019	(24000)	(0.52)	56000	1.22
	15/11/2019	(16000)	(0.35)	40000	0.87



	13/12/2019	(8000)	(0.17)	32000	0.70
	20/03/2020	(8000)	(0.18)	24000	0.52
	<b>At the end of the year</b>	<b>24000</b>	<b>0.52</b>	<b>24000</b>	<b>0.52</b>
<b>4.</b>	<b>Kamlesh Kanwar Shekhawat</b>				
	At the Beginning of the year	48000	1.04	48000	1.04
	No Change	-	-	48000	1.04
	<b>At the end of the year</b>			<b>48000</b>	<b>1.04</b>
<b>5.</b>	<b>Rajendra Singh Shekhawat</b>				
	At the Beginning of the year	48000	1.04	48000	1.04
	No Change	-	-	48000	1.04
	<b>At the end of the year</b>			<b>48000</b>	<b>1.04</b>
<b>6.</b>	<b>Deepa M Nair</b>				
	At the Beginning of the year	48000	1.04	48000	1.04
	No Change	-	-	48000	1.04
	<b>At the end of the year</b>			<b>48000</b>	<b>1.04</b>
<b>7.</b>	<b>Balwan Singh Baror</b>				
	At the Beginning of the year	40000	0.87	40000	0.87
	No Change	-	-	40000	0.87
	<b>At the end of the year</b>			<b>40000</b>	<b>0.87</b>
<b>8.</b>	<b>Sanjaykumar Sarawagi</b>				
	At the Beginning of the year	0	0	0	0
	02/08/2019	8000	0.17	8000	0.17
	23/08/2019	8000	0.17	16000	0.34
	30/08/2019	24000	0.53	40000	0.87
	<b>At the end of the year</b>			<b>40000</b>	<b>0.87</b>
<b>9.</b>	<b>Murleedharan Nair</b>				
	At the Beginning of the year	40000	0.87	40000	0.87
	No Change	-	-	40000	0.87
	<b>At the end of the year</b>			<b>40000</b>	<b>0.87</b>
<b>10.</b>	<b>Vinod kumar Jain</b>				
	At the Beginning of the year	40000	0.87	40000	0.87
	No Change	-	-	40000	0.87
	<b>At the end of the year</b>			<b>40000</b>	<b>0.87</b>
<b>11.</b>	<b>Sureshkumar Ishwarprasad Jain</b>				
	At the Beginning of the year	40000	0.87	40000	0.87
	No Change	-	-	40000	0.87
	<b>At the end of the year</b>			<b>40000</b>	<b>0.87</b>

## v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>1.</b>	<b>Ravindra Kumar Arya (Managing Director)</b>				
	At the Beginning of the year	1530000	33.26	1530000	33.26
	No Change	-	-	1530000	33.26
	<b>At the end of the year</b>			<b>1530000</b>	<b>33.26</b>
<b>2.</b>	<b>Anupam Ravindra Arya (Executive Director)</b>				
	At the Beginning of the year	1190	0.003	1190	0.003
	No Change	-	-	1190	0.003
	<b>At the end of the year</b>			<b>1190</b>	<b>0.003</b>
<b>3.</b>	<b>Apurva Ravindra Arya (Non-Executive Director)</b>				
	At the Beginning of the year	0.0	0.0	0.0	0.0
	No Change	-	-	0.0	0.0
	<b>At the end of the year</b>			<b>0.0</b>	<b>0.0</b>
<b>4.</b>	<b>Ashok Shar da (Non- Executive, Independent Director)</b>				
	At the Beginning of the year	0.0	0.0	0.0	0.0
	No Change	-	-	0.0	0.0
	<b>At the end of the year</b>			<b>0.0</b>	<b>0.0</b>
<b>5.</b>	<b>Aditya Joshi (Non- Executive, Independent Director)</b>				
	At the Beginning of the year	0.0	0.0	0.0	0.0
	No Change	-	-	0.0	0.0





	<b>At the end of the year</b>			<b>0.0</b>	<b>0.0</b>
<b>6.</b>	<b>Nishidha Agarwal (CFO)</b>				
	At the Beginning of the year	0.0	0.0	0.0	0.0
	No Change	-	-	0.0	0.0
	<b>At the end of the year</b>			<b>0.0</b>	<b>0.0</b>
<b>7.</b>	<b>Kiran Goklani (Company Secretary) *</b>				
	At the Beginning of the year	0.0	0.0	0.0	0.0
	No Change	-	-	0.0	0.0
	<b>At the end of the year</b>			<b>0.0</b>	<b>0.0</b>

\* Ceased from the post of Company Secretary of the Company w.e.f. 14/03/2020.

## V. INDEBTEDNESS

(Indebtedness of the company including interest outstanding/accrued but not due for payment)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	8,28,98,428	-	-	8,28,98,428
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>8,28,98,428</b>	-	-	<b>8,28,98,428</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	60,88,079	-	-	60,88,079
Net Change	(60,88,079)	-	-	(60,88,079)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	7,68,10,349	-	-	7,68,10,349
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>7,68,10,349</b>	-	-	<b>7,68,10,349</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sr No.	Particular of Remuneration	Name of MD/WTD/Manager		Total Amount
		Ravindra Arya	Anupam Arya	
<b>1.</b>	<b>Gross Salary</b>			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	4,20,000	13,20,000	17,40,000
	b) Value of perquisites u/s 17(2) of the Income Tax Act 1961	-	-	-
<b>2.</b>	<b>Stock Option</b>	-	-	-
<b>3.</b>	<b>Sweet Equity</b>	-	-	-
<b>4.</b>	<b>Commission</b>	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
<b>5.</b>	<b>Others</b>	-	-	-
	<b>TOTAL [A]</b>	<b>4,20,000</b>	<b>13,20,000</b>	<b>17,40,000</b>
	Ceiling as per Act			

### B. Remuneration to other directors:

Sr. No	Particular of Remuneration	Name of Directors (Non-Executive, Independent Directors)			Total
		Ashok Sharda	Aditya Joshi	Apurva Arya	
<b>1.</b>	<b>Independent Directors</b>				
	a) Fee for attending Board Committee meeting	12,500	12,500	NIL	25,000
	b) Compensation	-	-	-	-
	c) Others	-	-	-	-
	<b>Total [1]</b>	<b>12,500</b>	<b>12,500</b>	<b>-</b>	<b>25,000</b>
<b>2.</b>	<b>Other Non-Executive Directors</b>				
	a) Fee for attending Board Committee meeting	NIL	NIL	NIL	NIL
	b) Compensation	-	-	-	-



	c) Others	-	-	-	-
	<b>Total [2]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>12,500</b>	<b>12,500</b>	<b>-</b>	<b>25,000</b>
	<b>Total Managerial Remuneration (A+B)</b>	<b>Rs. 17,40,000/-</b>			

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

Sr No.	Particular of Remuneration	Name of Key Managerial Personnel		Total Amount
		Nishidha Agarwal (CFO)	Kiran Goklani (Company Secretary)*	
1.	<b>Gross Salary</b>	1,75,000	2,63,479	4,38,479
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	-	-	-
	b) Value of perquisites u/s 17(2) of the Income Tax Act 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweet Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others	-	-	-
	<b>TOTAL</b>	<b>1,75,000</b>	<b>2,63,479</b>	<b>4,38,479</b>

\* Ceased from the post of Company Secretary of the Company w.e.f. 14/03/2020.

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

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	N.A.	N.A.
Punishment	NIL	NIL	NIL	N.A.	N.A.
Compounding	NIL	NIL	NIL	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	N.A.	N.A.
Punishment	NIL	NIL	NIL	N.A.	N.A.
Compounding	NIL	NIL	NIL	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	N.A.	N.A.
Punishment	NIL	NIL	NIL	N.A.	N.A.
Compounding	NIL	NIL	NIL	N.A.	N.A.

**ANNEXURE-2 TO DIRECTORS' REPORT**  
**FORM NO. AOC -2**

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis. **NIL**

2. Details of contracts or arrangements or transactions at Arm's length basis.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name (s) of the related party & nature of relationship	Jaybharat Filaments Private Limited (Jointly Controlled Entity)
2	Nature of contracts/arrangements/transaction	Purchase of Goods / Services
3	Duration of the contracts/arrangements/transaction	Continuous
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 4,91,28,418/-
5	Date of approval by the Board	-
6	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name (s) of the related party & nature of relationship	Bindal Exim Private Limited (Jointly Controlled Entity)
2	Nature of contracts/arrangements/transaction	Purchase of Goods / Services
3	Duration of the contracts/arrangements/transaction	Continuous
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 4,94,65,302/-
5	Date of approval by the Board	-
6	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name (s) of the related party & nature of relationship	Bindal Silk Mills Private Limited (Jointly Controlled Entity)
2	Nature of contracts/arrangements/transaction	Purchase of Goods / Services
3	Duration of the contracts/arrangements/transaction	Continuous
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.4,98,06,818/-
5	Date of approval by the Board	-
6	Amount paid as advances, if any	-

**ANNEXURE-3 TO DIRECTORS' REPORT****FORM No. MR-3  
SECRETARIAL AUDIT REPORT  
For the Financial Year Ended 31<sup>st</sup> March 2020**

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

**TO,  
THE MEMBERS,  
BINDAL EXPORTS LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bindal Exports 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 Bindal Exports 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 authorised representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **March 31, 2020** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Bindal Exports Limited for the Financial Year ended on March 31, 2020 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under
- II. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - 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;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Were applicable to the Company as per the representations made by legal representative of the Company.

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

- i. Secretarial Standards of The Institute of Company Secretaries of India,
- ii. The Listing Agreements entered into by the Company with BSE-SME Stock Exchange.

During the year under review, the company has complied with the provisions of the act, rules, regulations and guidelines mentioned above.

We further report that based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/CFO of the company, in our opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

We further report that the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice 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.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

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, there were no other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the company's affairs

**FOR JINENDRA JAIN & ASSOCIATES,**

**JINENDRA JAIN  
PROPRIETOR  
M. No: 52319  
COP: 20148**

**Place: SURAT  
Date: 28/08/2020  
UDIN: A052319B000625463**

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



**"ANNEXURE - A"**

**TO  
THE MEMBERS  
BINDAL EXPORTS LIMITED**

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

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

**FOR JINENDRA JAIN & ASSOCIATES,**

**JINENDRA JAIN  
PROPRIETOR  
M. No: 52319  
COP: 20148**

**PLACE: SURAT  
DATE: 28/08/2020  
UDIN: A052319B000625463**

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### ANNEXURE-4 TO DIRECTORS' REPORT

**Part A-**
**Particulars of Employee pursuant to Section 197 of the Companies Act, 2013 read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (1) Ratio of the Remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2020 and the percentage increase in remuneration of each Director, Chief Financial officer, Chief Executive officer, Company Secretary for the financial year ended 31st March, 2020:

Name of the Director/KMP	Remuneration received (In Rs.)	% Increase in Remuneration in F.Y. 2019-2020	Ratio to median remuneration
Mr. Anupam Arya (Director)	13,20,000	120%	--
Mr. Ravindrakumar Arya (Managing Director)	4,20,000	N.A.	--
Ms. Nishidha Agarwal (CFO)	1,75,000	134%	N.A.
Ms. Kiran Goklani (Company Secretary)	2,63,479	N.A.	N.A.

- (2) There were 38 permanent employees on the rolls of the company as on 31st March, 2020.  
 (3) During the financial year 2019-2020, there was no increase in the salaries of employees.  
 (4) It is affirmed that the remuneration paid is as per remuneration policy of the company.

**Part-B**
**Particulars of Employee pursuant to Section 197 of the Companies Act, 2013 read with Rules 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- a) Details of top ten employee in terms of gross remuneration paid during the year ended 31/03/2020:

Particulars	Designation of Employee	Remuneration on 2019-20	Nature of Employment	Qualification & Experience	Date of commencement of employment	Age	Last employment	% of Equity shares held
Sanjay Kumar	Sales Executive	7,60,188	permanent	MBA	01/04/2019	-	-	NIL
Nandu Saxena	Master	6,68,040	permanent	BSC	19/12/2016	57	-	NIL
Ramavtar Sharma	Account Manager	5,39,500	permanent	B.Com	31/07/2017	50	Ranjan Fashion	NIL
Ravindrasinh Solanki	Merchant	4,85,284	permanent	B.E. (E.C.)	01/06/2017	33	Donear Indu.	NIL
Reeta Saxena	Tailor	4,81,827	permanent	12 <sup>th</sup>	19/01/2017	54	-	NIL
Radhika Saraf	Executive Officer	4,00,000	permanent	MBA	01/04/2019	32	-	NIL
Sanjay Singh	Followper	3,62,303	permanent	12 <sup>th</sup>	01/10/2015	43	Colourtex	NIL
Pyarelal Agarwal	Sales Executive	3,60,000	permanent	B.Com	01/01/2018	50	-	NIL
Raseed Khan	Cutting Master	3,26,393	permanent	10 <sup>th</sup>	20/02/2019	50	J P Exports	NIL
Mamta Agarwal	Sales Executive	3,18,000	permanent	B.Com	01/03/2018	45	-	NIL

- b) Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One crore and two lakh rupees: (Nil) hence, Not Applicable
- c) Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month: (Nil) hence, Not Applicable.
- d) Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself for along with his spouse and dependent children, not less than 2% of the equity shares of the company: (Nil) hence, Not Applicable.

## **ANNEXURE-5 TO DIRECTORS' REPORT**

**Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with companies (Accounts) Rules, 2014 are provided hereunder**

### **A. CONSERVATION OF ENERGY:**

- a) The Company has given top priority to conservation of energy on continuous basis by closely monitoring energy consuming equipment involving use of energy generating diesel set and power purchased from Electricity Board e.g. size of the motors are optimum to save energy. The Company has been conserving energy by resorting to use of power to the barest minimum;
- b) Keeping in view the nature of the manufacturing process no additional investment is proposed and hence further consumption of energy is ruled out in the near future;
- c) No specific studies regarding impact of the above measures of (a) and (d) have been carried out and the cost impact of energy cost and energy saving measures on cost of production of goods is not material, as it forms a very minimum percentage vis-a vis the cost of Company's product;

### **B. TECHNOLOGY ABSORPTION:**

#### **I. RESEARCHES AND DEVELOPMENT (R&D)**

- a) Specific area in which R & D carried out by the Company: There is no specific area in which the Company has carried the R & D. However, the Company is continuously making efforts for improvements in its production process for better productivity and cost efficiency.
- b) Benefits derived as a result of improvement in efficiency of Plant & Machinery by maintaining low maintenance cost.
- c) Further plan to action: The Company plans to monitor continuously the plant efficiency thus reducing the shortage and reducing the cost of production.

#### **II. TECHNOLOGICAL, ABSORPTION, ADAPTATION & INNOVATION:**

- a) Efforts made towards Technology Absorption: For the goods manufactured by the Company there is a simple process of manufacturing technique called Stitched Fabric production and the Company has already adopted the same and no innovations have been carried by the company, as there is no other available alternative that would ensure further cost efficiency.
- b) Benefits derived as a result of the above efforts: Productions of quality products have acceptability in the domestic market and ensure an easy marketability and goodwill for Company's product.
- c) Particulars relating to imported technology: The Company has not imported any technology and the plant has been installed with complete Indian Technical know-how;

### **C. FOREIGN EXCHANGE EARNING AND OUT GO:**

Total Foreign Exchange used and earned	: NIL
Total Foreign Exchange out go	: NIL

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## MANAGEMENT DISCUSSION & ANALYSIS REPORT



*We recognize that, we have been able to maintain our financial and operational performance, in spite of the challenging macro environment. We maintain our focus on the domestic market and continuing to grow our export business. Considering the near term market challenges, we strive to create opportunities and continue to focus on creating value for our stakeholders.*

### **1. Overview of the Economy:**

In terms of GDP, Indian Economy is the fifth largest economy in the world. In 2019, India became a \$ 2.7 trillion economy, having added one trillion US dollars in the last five years. The economic survey of the government outlined the blueprint to achieve the vision of making Indian a USD 5 trillion economy by 2024-25. According to the World Bank, the global economy decelerated to an estimated 2.4 percent in 2019, the slowest pace since the global financial crisis. The Indian economy was not immune to the slowdown. The economy faced multiple headwinds and amidst a weak environment for global manufacturing and trade and challenges in the domestic financial sector, the Indian economy slowed down with GDP growth to 4.2% in financial year 2019-20 as compared to 6.1% in financial year 2018-19.

Recognizing financial stress built up in the economy, Government of India undertook initiatives such as liberalizing sectors to attract foreign direct investment, speeding up insolvency resolution process under Insolvency and Bankruptcy Code, upfront capital infusion in public sector banks to alleviate liquidity concerns and reducing corporate tax rates to revive private investments. RBI has taken number of measures to ensure sufficient liquidity in the system since the beginning of 2019-20. We note that it has slashed policy rate (Repo rate) from 6.25% in the beginning of year to 4.4% at the closing of fiscal and at now at 4% in ongoing fiscal so far. We also note this time transmission of rate cuts has happened in a large way and helped across all industries and borrowers.

Despite the slowdown, India has improved its ranking in World Bank's 'Doing Business' and moved up by 14 position to 63rd rank in 2019, among 190 countries, which immensely contributed to the increase in global confidence in Indian economy.

However, the recent outbreak of COVID-19, which led to a country wide lockdown to curtail the spread of virus, has posed an altogether new challenge and has altered the outlook of Indian Economy. Government of India and RBI are nevertheless continuously working and taking steps to revive the economy and enhance rural income. Fiscal as well as monetary measures have been introduced and are expected to decelerate this slowdown and will help the economy grow in at rebound at the earliest pace.

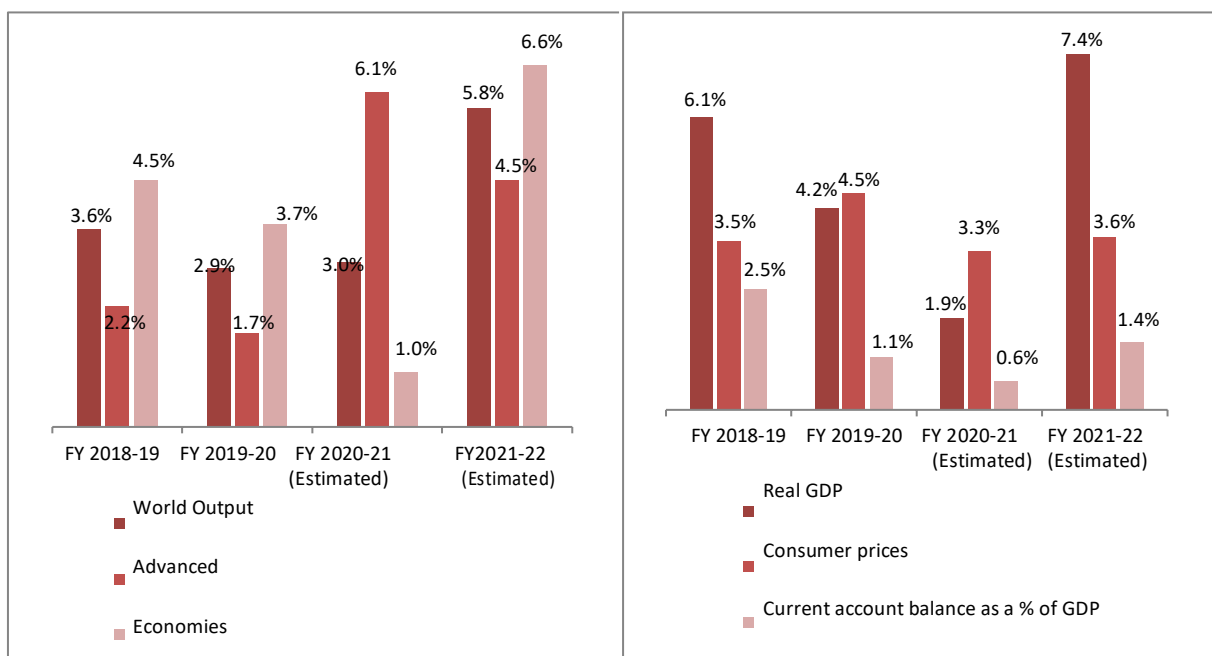
Amidst the Covid-19 crisis, Fitch Ratings lowered India's economic growth estimate for FY 2020-21 to 0.8%, citing a fall in consumer spending and fixed investment and disruption in economic activities. However, it expects a sharp rebound in India's growth to 6.7% in FY 2021-22. Besides, favorable international oil prices are likely to keep India's inflation rates within manageable bounds and lower its current account and fiscal deficit.

As per Moody's (a global rating company), India's GDP growth rate for 2020-21 is expected to be at zero mainly led by steep deterioration in business activities and sharp contraction in consumption trend due to disruption led by COVID-19. However, on a positive note, it has forecasted India's GDP growth rate to

bounce back to 6.6 per cent in 2021-22.

### World Economic Outlook

### Indian Economic Outlook



(Source: IMF World Economic Outlook, April 2020)

## 2. Overview of Textile Sector:

Growth in the textile sector largely depends on consumer spending, and consumer spending has been affected during the fiscal year 2019-20 with perceived economic condition and consumer credit availability. India is the world's second largest exporter of textiles and clothing. Increased penetration of organized retail, favorable demographics, and rising income level are likely to drive demand for textiles.

During the year 2019-20, China vacated some space in the global textiles market on account of the increased trade dispute with USA, strong domestic demand and the Covid-19 breakout during the second half of FY 2019-20. However, Bangladesh and Vietnam stood to benefit the most.

## 3. Covid-19:

Covid-19 has caused a significant disruption for mankind and world economy. As on 11th March, 2020 WHO announced Covid-19 as a pandemic. World-wide, major countries like USA, France, Germany, Italy, Japan, New Zealand, Poland, India and many others implemented highly restrictive mass quarantines. The activity of "Lock Down" in major economies caused severe depression on consumer demand & behavior.

In India, activities started coming to a halt in the month of March, 2020 with an increase in Covid-19 cases coupled with implementation of new norms like social distancing. By the middle of March, 2020, few states started going into curfew. On 25th March, 2020, Government of India implemented countrywide "Lockdown" with an exception to only essential services. Until 31st May, 2020, "Lockdown" remained in full force, post which relaxation of Guidelines to restart came in to force.

Aftermath of breakout of the Covid-19 disease brought uncertainty and "Deep Depression" in most of the world economies. The IMF revised its World Output growth from 3.3% to -3.0%. For India, as per the statement from the RBI Governor, the recovery of economy is expected to be restored in the second half of 2020-21. GDP growth for year 2020-21 is also expected to be negative.

## 4. Company Outlook:

The year 2020-21 would be a year of challenges for the Company. Uncertainties arising due to the economic impact of Covid-19 are expected to continue at least for the first six months of the current financial year. The first quarter of the year is anticipated to be adversely impacted as the country remained in lockdown for the most part of it. The recovery of both, the domestic and global market, will guide the capacity utilisation with its direct bearing on the performance.



The intense fluctuation in crude oil prices results in unprecedented volatility in caprolactam prices and that may impact the company's performance adversely. Further impact may be severe due to sudden nationwide lock down that laid to temporary shutdown of the Company's operations resulting in high inventory of raw material and finished goods. The substantially lower prevailing prices will impact the performance negatively.

The issue of migrant laborers will be a serious challenge, particularly for NFY sale. Surat happens to be a major consumer center and the city has seen a huge number of migrant laborers leave, and it may not see normalcy in operations in the near term.

However, due to the strength of our balance sheet, the reputation of the Company and the product and institutionalized processes that we carry, we expect to recover faster than competitor. The Company operations has been resumed gradually post relaxation in lockdown announced by Central/State Government so that uninterrupted supplies to customers can resume. Quality enhancement drive undertaken by the Company, coupled with the Prime Minister's message of 'vocal for local' is expected to lead to better consumption of the company's products.

## 5. Opportunities & Threats:

### Opportunities:

- Low per-capita domestic consumption of textile indicating significant potential growth.
- Domestic market extremely sensitive to fashion fads and this has resulted in the development of a responsive garment industry.
- Companies need to concentrate on new product developments.
- Increased use of CAD to develop designing capabilities and for developing greater options.

### Threats:

- Industry is prone to change in government policies, any material changes in the duty or International prices may adversely impact our financials.
- There are no entry barriers in our industry which puts us to the threat of competition from new entrants.
- Prices of products are prone to exchange rate fluctuations.
- Alternative competitive advantages would continue to be a barrier.

## 6. Segment-wise or product-wise performance:

The Company is presently operational in Manufacturing and trading of Textile Fabrics & Garments. We are engaged in the manufacturing and trading of designer wear of women and we deal in designer women apparels. We believe that our Company brings the finest collection of women apparels and we have a unique destination to shop and styles. We are both in retail and wholesale business where we provide our designs and satisfy our customers. We serve our customers through a range of channels such as retail and wholesale. We have to acquire fabric and accessories from several suppliers and have worked with them for a long time. We have our own designer team who develops new styles, fits, finishes to meet the latest fashion trends. In a season, the team works on over several designs, out of which a few are picked up to constitute the new season collection. Our Company's core competency lies in our deep understanding of our customer's buying preferences and behavior across the Indian market. We believe that our strong relationships with suppliers will enable us to continue to grow our business. Due to our relationships with our suppliers, we get quality and timely supplies of fabric and accessories which enables us to manage our inventories and supply quality products on timely basis to our customers and in turn has enabled us to generate repeat business.

## 7. Risk and Concerns:

Risk:	Mitigation Approach:
<p><b>Raw Material Price Risk:</b> High volatility in prices impacts the overall cost of production, energy inputs and finished goods and thus, the profitability.</p>	<p>The company thoroughly reviews the purchasing policy so as to control the purchase price of the commodity. Securing the supplies of the key raw material and strong relationship with vendors ensures easy availability to the raw material sources. Increasing share of value added products in all businesses. Focused Cost Management and efficiency improvement.</p>



<p><b>Human Resources Risk:</b> Non availability of the required talent resources can affect the performance of the Company.</p>	<p>Focused talent development and carrying out necessary improvements to attract and retain the best talent. Reviewing and monitoring performance &amp; development of employees.</p>
<p><b>Competition Risk:</b> With expanding capacity of exiting players and emergence of new entrants and any change in the competition intensity in the global market space, competition is a sustained risk and poses a potential threat to the Company.</p>	<p>Strategic initiatives to enhance marketing activities and continuous efforts in enhancing the product portfolio and the brand image of the Company. Increasing level of customer engagement. Trusted partnerships and offering competitive rates to its clients across the globe.</p>
<p><b>Currency Risk:</b> As the Company deals globally, currency volatility may impacts the overall revenue of the Company.</p>	<p>Constant monitoring and hedging, if required, to mitigate any adverse movements in currency fluctuations.</p>
<p><b>Policy Risk:</b> Implementation of any policy which is not in favour of the Company hampers the operations of the Company.</p>	<p>Adherence to government norms is being ensured. Following and utilization of schemes or incentives promoted by the government to boost the industry and stay ahead in the market.</p>
<p><b>Information Technology Risk:</b> Risks related to Information Technology systems; data integrity and data security.</p>	<p>Systems are upgraded regularly with latest security standards, using back up procedures. Security policies and procedures are updated on a periodic basis and users educated on adherence to the policies so as to eliminate data leakages.</p>
<p><b>Regulatory Risk:</b> Any default can attract penal provisions and may impact the company reputation.</p>	<p>To ensure compliance with all applicable statutes and regulations.</p>
<p><b>Unforeseen/Unavoidable Risk:</b> The beginning of 2020 has witnessed the global spread of COVID-19, i.e. corona virus which has led to worldwide lockdown resulting slowdown of economy, restriction in movement, temporary closure of business operations.</p>	<p>The Company leverages and takes out necessary measures immediately to curtail such unpredicted situation and challenges posed thereto. Company's response and action initiated on this pandemic are mentioned above.</p>

**8. Environment and Safety:**

The need for environmentally clean and safe operations is company's key priority. The Company policy requires the conduct of all operations in such a manner so as to ensure the safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

**9. Internal Control Systems:**

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safe guarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

**10. Financial Performance and Operational Performance:**

During the year, Your Company recorded total revenue of Rs. 34,60,82,604/- during the current financial year as compared to total revenue of Rs. 32,25,09,947/- in financial year 2018-19 and Profit before Tax for the year 2019-2020 stood at Rs. 99,62,673/- as compared to Profit before tax of Rs. 1,02,19,481/- in financial year 2018-19. Profit after Tax for the current year stood at Rs. 18,84,675/- as compared to Rs. 9,28,194/- in financial year 2018-19.

**11. Material Developments in Human Resources:**

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important assets. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. Taking into this account, your Company continued to Invest in developing its human capital and establishing its brand on the market to attract and retain the best talent.



Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and your Company is committed to maintain good relations with the employees.

**12. Significant Changes:**

	<b>F.Y. 2019-2020</b>	<b>F.Y.2018-2019</b>
Debtors Turnover	2.56	2.18
Inventory turnover	4.75	4.84
Interest Coverage Ratio	1.23	1.25
Current Ratio	1.53	1.55
Debt Equity Ratio	0.89	0.97
Operating Profit Margin	2.68	2.87
Net Profit Margin	0.49	0.60

**13. Return on Networth:**

F.Y. 2019-2020 : 2.22%

F.Y. 2018-2019 : 1.13%

**Disclaimer Statement:**

*The discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements. No representation is made on the accuracy and comprehensiveness through the same is based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by us herein contain our view on the significant events having impact on the Company's operations but it is not exhaustive.*

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## **Independent Auditor's Report**

**To the Members of BINDAL EXPORTS LIMITED**

**Report on the standalone Financial Statements**

### **Qualified Opinion**

We have audited the accompanying Standalone financial statements of **BINDAL EXPORTS LIMITED** which comprises the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, subject to qualifications mentioned herein after in this report, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit/loss, total comprehensive income, the changes in equity and cash flows for the year ended on that date.

### **Basis for Qualified opinion**

- a) In absence of ascertainment by the company of liability towards Gratuity to be paid to retiring employees through Actuarial Valuation, its impact on the profits / (losses) of the company cannot be ascertained.
- b) The company is not making provision for leave salary on accrual basis.

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

audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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.

Sl. no.	Key Audit Matters	Auditor's Response
(i)	<b>Balance with Statutory Authorities:</b> The company is reporting balances due and receivable from several statutory authorities, including GST / VAT / Excise/ Service Tax, aggregating to Rs. 36.64 lacs.	We have relied on the representation of the management that, these balances are either refundable or may be adjusted against future liability arising of account assessments if any.
(ii)	<b>Gratuity:</b> The company has not made provision for Gratuity and leave encashment payable to employees in its books of accounts. As per the policy the payment is made to retiring employees on an adhoc basis.	The company should obtain Actuarial valuation report on Gratuity to be provided depending on the strength of employees / workers and their duration of employment. The issue has been dealt with by way of qualification in the Independent Auditor's Report.
(iii)	<b>Trade Receivables:</b> Balance Confirmation from Trade Receivables having non-moving balances is not obtained by the company. The total amount of such trade receivables are Rs. 36.09 lacs.	We are unable to form an opinion about the early recovery of these outstanding debts. However, management has confirmed realisation of these trade receivables within a year.

### Information other than the financial statements and auditors' 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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon. The report is expected to be made available after the date of this auditor's report.

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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act and Companies Ind AS Rules, 2016, as amended from time to time and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Responsibility 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 Standards of Auditing (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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other legal and regulatory requirements**

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, 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, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (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;
- a. The detail of pending litigations by and against the company which would impact its financial position is submitted in Annexure-1;
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For and on behalf of**  
**SNK & Co.**  
**Chartered Accountants**  
**F.R.No.109176W**

**Samir B. Shah**  
**Partner**  
Place : Surat  
Date : July 29,2020

**UDIN:- 20103562AAAAAT6945**

**Annexure-1**

**Details of Tax litigation as on 31st March 2019**

<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Amount</b>	<b>Period</b>	<b>Forum where dispute is pending</b>
Service Tax	Service Tax, Interest & penalty	11553954/-	April 19,2006 to July19,2010	CESTAT, Ahmedabad
Service Tax	Service Tax, Interest & penalty	7,06,766/-	Aug 01,2010 to 31st March 2011	CESTAT, Ahmedabad
Service Tax	Service Tax, Interest & penalty	10,22,509/-	April 01,2011 to Sept 30,2011	CESTAT, Ahmedabad
Central Excise Act, 1944	Excise Duty, Interest & Penalty	1,26,60,585/-	April 01,2009 to March 31,2010	Comm of Central Excise & Customs, Surat
Central Excise Act, 1944	Excise Duty, & Penalty	21,316/-	20.02.20016	Asstt Comm , Central Excise Div-II, Surat-1
Custom Act,1962	Custom Duty ,Intt & Penalty	21,80,896/-	April 01,2010 to March 31,2011	Additional Director Customs and Excise, Mumbai
Income Tax Act, 1961	Income Tax Demand	5,11,750/-	April 01,2005 to 31 <sup>st</sup> March,2006	Income Tax Appellate Tribunal, Surat

Pending litigation other than tax litigation statement

IPC Section 406,420,504,114	For Outstanding Due	774672/-	16.07.2019	Civil Judge & Judicial Magistrate, Surat
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## **ANNEXURE B TO THE AUDITOR'S REPORT**

(Referred to in our Report of even date an annexure on the matters specified in paragraphs 3 and 4 of the CARO on the Statements of Accounts of **BINDAL EXPORTS LIMITED** as at and for the Year ended March 31, 2020) we report that:

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
b) The company has a regular program of physical verification of fixed assets by the management during the year. The procedure and periodicity of verification in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
c) According to the information and explanation 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 company.
2. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

On the basis of our examination of the records of inventory as maintained by the company, we are of the opinion that the company is maintaining proper records of the inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3. The company has not granted a short term loan of Rs. 8.00 lacs to its associate concern Bindal Silk Mills Pvt. Ltd.
4. In Our opinion and according to the information and explanation given to us, the company has complied with the provision of section 185 and 186 of the companies act with respect to the loans and investment made.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India, provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public are not applicable. Thus, Paragraph 3(v) of the order is not applicable to the company.

6. According to information and explanations given to us the Central Government has not prescribed for the maintenance of cost records under Section 148(1) of the Companies Act, 2013.
7. According to information and explanations given to us and on the basis of our examination of the books of accounts, the company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, vat, excise duty, Goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanation given to us, no undisputed amount payable in respect of VAT, Goods and service tax, Customs Duty and Excise Duty were outstanding, as at March 31, 2020 for a period of more than six months from the date they became payable.

8. Based on our audit procedures and according to the information and explanation given by the management, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank and to the government.
9. Based on our audit procedures and according to the information and explanation given by the management, the company has not raised any fund by way of public issue during the year. The Company has not raised any term loan during the year.
10. According to the information and explanation given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
11. Based on our audit procedures and according to the information and explanation given by the management, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
12. In our opinion and according to the information and explanation given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanation given to us and based on our examination of the records of the company, transaction with the related parties are in compliance with sec 177 and 188 of the Act where applicable and details



of such transaction have been disclosed in the financial statement as required by applicable accounting standards.

14. According to the information and explanation given 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.

15. According to the information and explanation 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.

16. The company is not required to be registered under sec 45-IA of the Reserve Bank of India Act, 1934.

**For and on behalf of  
SNK & Co.  
Chartered Accountants  
F.R.No.109176W**

**Samir B. Shah  
Partner**

Place : Surat  
Date : July 29,2020

**UDIN:- 20103562AAAAAT6945**

## **ANNEXURE - B TO THE AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of **BINDAL EXPORTS PRIVATE LIMITED**. ("The Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

## **Opinion**

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

**For and on behalf of**  
**SNK & Co.**  
**Chartered Accountants**  
**F.R.No.109176W**

**Samir B. Shah**  
**Partner**  
Place : Surat  
Date : July 29,2020

**UDIN:- 20103562AAAAAT6945**

**BINDAL EXPORTS LIMITED**
**BALANCE SHEET AS AT MARCH, 2020**

		31 March 2020 Amount in Rs	31 March 2019 Amount in Rs
<b>EQUITY AND LIABILITIES</b>			
	<b>Notes</b>		
<b>1 Shareholders' Funds</b>			
(a) Share capital	3.	4,60,04,000	4,60,04,000
(b) Reserve & surplus	4.	4,05,66,461	3,90,25,138
(c) Money received against share warrants		-	-
<b>Sub total- Shareholder's Funds</b>		<b>8,65,70,461</b>	<b>8,50,29,138</b>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non Current Liabilities</b>			
(a) Long-term borrowings	5.	-	-
(b) Deferred tax liability(net)		(1,37,858)	4,01,745
(c) Other long-term liabilities		33,01,682	-
(d) Long-term provisions		-	-
<b>Sub total- Non- Current Liabilities</b>		<b>31,63,824</b>	<b>4,01,745</b>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	7.	7,68,10,349	8,28,98,428
(b) Trade Payables	8.	3,99,17,489	3,79,09,753
(c) Other current liabilities	9.	5,42,284	3,71,067
(d) Short-term provisions	10.	19,33,016	25,84,704
<b>Sub total- Current Liabilities</b>		<b>11,92,03,138</b>	<b>12,37,63,952</b>
<b>Total- Equity &amp; Liabilities</b>		<b>20,89,37,423</b>	<b>20,91,94,835</b>
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment			
(i) Tangible assets	11.	1,42,46,440	1,45,49,166
(ii) Work-in-progress		-	-
(b) Non-current investments	12.	80,000	14,80,000
(c) Deferred tax assets(net)	13.	-	-
(d) Long term loans and advances	14.	-	-
(e) Trade Receivables	14.	1,06,77,258	-
(f) Other non-current assets	15.	18,84,161	18,84,161
<b>Sub total- Non-Current assets</b>		<b>2,68,87,859</b>	<b>1,79,13,327</b>
<b>2 Current Assets</b>			
(a) Current investments		-	-
(b) Inventories	16.	5,63,07,161	4,44,46,702
(c) Trade Receivable	14.	11,78,88,298	14,13,76,426
(d) Cash and bank balances	18.	24,51,776	9,18,746
(e) Short term loans and advances		-	-
(f) Other current assets	19.	54,02,330	45,39,633
<b>Sub total- Current assets</b>		<b>18,20,49,565</b>	<b>19,12,81,508</b>
<b>Total- Assets</b>		<b>20,89,37,423</b>	<b>20,91,94,835</b>

Summary of Notes to Accounts

The accompanying notes are an Integral part of the financial statements.

As per our report of even date

For and on behalf of  
SNK & Co.  
Chartered Accountants  
F.R.No 109176W

For and on behalf of the Board of Bindal Exports Limited  
CIN : L51109GJ2007PLC050915

Samir B. Shah  
Partner  
Mem no. - 103562

Ravindra K Arya  
Chairman and Managing Director  
DIN-00033067

Anupam R Arya  
Executive Director  
DIN-00287676

Place : Surat  
Date : July 29, 2020  
UDIN:-20103562AAAAAT6945

Nishidha A Arya  
Chief Financial Officer

Dhruvi Kapadia  
Company Secretary

**BINDAL EXPORTS LIMITED**
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH,2020**

	Notes	31 March 2020 Amount in Rs	31 March 2019 Amount in Rs
<b>1 Income From Operations</b>			
a. Revenue From Operations	20.	34,60,82,604	32,25,09,947
b. Other Income	21.	6,77,167	9,52,025
<b>Total Income From Operations</b>		<b>34,67,59,770</b>	<b>32,34,61,972</b>
<b>2 Expenses</b>			
a. Cost of raw materials consumed	22.	14,34,39,028	11,46,59,428
b. Purchase of traded goods	23.	9,68,01,293	11,58,18,927
c. Changes in inventory of Finished goods, work in progress , and traded goods	24.	(64,47,687)	(67,52,599)
d. Employee benefit expenses	25.	1,60,11,074	1,50,51,113
e. Depreciation and amortisation expense		2,91,396	5,58,705
f. Other manufacturing and operating expenses	26.	6,44,00,200	5,11,35,589
g. Sales & administration expenses	27.	2,23,01,793	2,27,71,328
<b>Total Expenses</b>		<b>33,67,97,097</b>	<b>31,32,42,491</b>
<b>3 Profit/(Loss) from operations before other income, finance costs and exceptional items(1-2)</b>		<b>99,62,673</b>	<b>1,02,19,481</b>
4 Other Income			-
<b>5 Profit/(Loss) from ordinary activities before finance costs and exceptional items(3+4)</b>		<b>99,62,673</b>	<b>1,02,19,481</b>
6 Finance cost	28.	82,73,479	82,83,913
<b>7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items(5-6)</b>		<b>16,89,194</b>	<b>19,35,568</b>
8 Exceptional Items			-
<b>9 Profit/(Loss) from ordinary activities before tax(7+8)</b>		<b>16,89,194</b>	<b>19,35,568</b>
10 Tax Expense			-
Current tax		3,44,122	6,05,628
Deferred tax		(5,39,603)	4,01,745
<b>11 Net profit/(Loss) from ordinary activities after tax(9-10)</b>		<b>18,84,675</b>	<b>9,28,194</b>
12 Extraordinary Items(net of tax expense Rs. Nil)			-
<b>13 Net Profit/(Loss) for the period(11-12)</b>		<b>18,84,675</b>	<b>9,28,194</b>
14 Share of Profit/(Loss) of associates		N.A	N.A
15 Minority Interest		N.A	N.A
<b>16 Net Profit/(Loss) after taxes,minority interest and share of profit/(loss) of associates(13-14-15)</b>		<b>18,84,675</b>	<b>9,28,194</b>
17 Paid-up equity share capital(Face Value of Rs 10/- each)		4,60,04,000	4,60,04,000
18 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year		4,05,66,461	3,90,25,138
<b>19.i Earning Per Share(before extraordinary items) (of Rs 10/- each) not annualised</b>	29.		
a. Basic		0.41	0.20
b. Diluted		0.41	0.20
<b>19.ii Earning Per Share(after extraordinary items) (of Rs 10/- each) not annualised</b>			
a. Basic		0.41	0.20
b. Diluted		0.41	0.20

**Summary of Notes to Accounts**

The accompanying notes are an Integral part of the financial statements.

**As per our report of even date**

For and on behalf of  
SNK & Co.  
Chartered Accountants  
F.R.No 109176W

For and on behalf of the Board of Bindal Exports Limited  
CIN : L51109GJ2007PLC050915

Samir B. Shah  
Partner  
Mem no. - 103562

Ravindra K Arya  
Chairman and Managing Director  
DIN-00033067

Anupam R Arya  
Executive Director  
DIN-00287676

Place : Surat  
Date : July 29, 2020  
UDIN:-20103562AAAAAT6945

Nishidha A Arya  
Chief Financial Officer

Dhruvi Kapadia  
Company Secretary

**BINDAL EXPORTS LIMITED****Cash Flow Statement for the year ended 31st March,2020**

	<b>Current Year 31.03.2020 Rs.</b>	<b>Current Year 31.03.2019 Rs.</b>
<b>(A) Cash Flow from Operating Activities:</b>		
Net profit/(loss) before tax and Extraordinary items:	16,89,194	19,35,568
Adjusted for:		
Extra ordinary items	-	-
Deffered Tax Liability	-	-
Financial charges	73,13,287	77,37,038
Depreciation	2,91,396	5,58,705
Asset Disposal	13,107	-
Profit/(Loss) on Sale of Fixed Asset	-	(27,510)
Operating Profit before Working Capital Changes	93,06,984	1,02,58,820
Adjusted for:		
(Increase)/Decrease in Inventories	(1,18,60,459)	56,08,389
(Increase)/Decrease in Trade and Other Receivables	1,28,10,870	1,37,87,375
(Increase)/Decrease in Loans and Advances & non current asset	(8,62,697)	7,00,520
Increase/(Decrease) in Trade Payables and other liabilities	48,28,947	(2,11,81,393)
Cash Generated from Operations before extra ordinary items	1,42,23,646	91,73,711
Less : Prior period expenses	(3,43,352)	21,97,845
Net Cash Generated from / Utilised in Operations	1,38,80,294	1,13,71,556
Less : Taxes Paid	3,44,122	6,05,628
<b>Net Cash from Operating Activities</b>	<b>1,35,36,172</b>	<b>1,07,65,928</b>
<b>(B) Cash Flow from Investing Activities:</b>		
Purchase of Fixed assets	(8,390)	(15,64,789)
Proceeds from sale of Fixed Assets	6,614	20,538
Purchase of Investments	<b>14,00,000</b>	<b>(2,40,000)</b>
<b>Net Cash Generated from / Utilised in Investing Activities</b>	<b>13,98,224</b>	<b>(17,84,251)</b>
<b>(C) Cash Flow from Financing Activities:</b>		
Financial Charges (Interest Paid)	(73,13,287)	(77,37,038)
Increase/(Decrease) in Long Term Borrowings	-	-
Increase/(Decrease) in Short Term Borrowings	(60,88,079)	(31,81,827)
Increase/(Decrease) in Equity Share Capital	-	-
Increase/(Decrease) in Share Premium	-	-
<b>Net Cash Generated From Financing Activities</b>	<b>(1,34,01,366)</b>	<b>(1,09,18,865)</b>
Net (Decrease)/Increase in Cash and Cash Equivalents	15,33,030	(19,37,187)
Cash and Cash Equivalents at Beginning of the Year	9,18,746	28,55,933
Cash and Cash Equivalents at Closing of the Year	<b>24,51,776</b>	<b>9,18,746</b>

As per our report c

For and on behalf of  
SNK & Co.  
Chartered Accountants  
F.R.No.109176W

Samir B. Shah  
Partner

Place : Surat  
Date : July 29, 2020  
UDIN:-20103562AAAAT6945

Ravindra K Arya  
Chairman & Managing Director  
DIN-00033067

Nishidha A Agarwal  
Chief Financial Officer

For and on behalf of the Board of  
Bindal Exports Limited  
CIN : L51109GJ2007PLC050915

Anupam R Arya  
Executive Director  
DIN-00287676

Dhruvi Kapadia  
Company Secretary



**NOTES TO ACCOUNTS**

- (a) The aforesaid financial results have been reviewed by the audit committee and subsequently approved by the board of directors at its meeting held on July 29, 2020.
- (b) The standalone financial results for the year ended March 31, 2020 were audited by the statutory auditors of the company.
- (c) Previous period's/ year's figures have been regrouped/ rearranged wherever necessary, to confirm to the current half year's/ year's classification.

**Notes to financial statements for the year ended 31 March 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES**

- (a) Basis of Accounting:  
The financial statements have been prepared on the historical cost convention and in accordance with normally accepted accounting principles.
- (b) Property, Plant and Equipment:  
Property, Plant and Equipments are carried at cost of acquisition less accumulated depreciation.  
Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment loss, if any. All costs, including financing costs till the date on which the asset is put to use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.  
In case of assets, whose useful life has been complete as prescribed in Schedule-II of the Companies Act, 2013, the difference between the opening WDV and its residual value is recognised in the opening balance of retained earnings.
- (c) Depreciation:  
Depreciation on fixed assets is provided on Written down method at the rates and manner prescribed in Schedule II of the Companies Act, 2013. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- (d) Investments:  
Investment which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investment.  
On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.  
Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss account.
- (e) Inventories:  
(i) Raw materials and other consumables are valued at cost.  
(ii) Trading goods are valued at cost or net realizable value whichever is less.
- (f) Recognition of Income & Expenditure:  
All Incomes & Expenditures are accounted on accrual basis.
- (g) Borrowing Cost:  
Borrowing costs that are attributable to the acquisition and construction of qualifying fixed assets are capitalized as part of cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are charged to the Profit & Loss Account.
- (h) Accounting for Deferred Taxes:  
Accounting for Deferred Tax Assets has been made in accordance with AS-22 which arises on account of timing difference other than permanent timing difference.
- (i) Export Incentives:  
Export incentives in form of GST Refunds and Duty Drawback are recorded in books on accrual basis. Duty Free Certificate Entitlement are accrued in books on the basis of their actual realisation through sale of exim scrip licences or on receipt of incentive from the Government.
- (j) Employee Benefits  
Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund. Provision for leave encashment and gratuity has not been made in the accounts.
- (j) Earning Per Share  
Basic earning per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all the periods presented is adjusted for events, such as bonus shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

(k) Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

**CONTINGENT LIABILITIES AND COMMITMENTS**

(to the extent not provided for)

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2020 (Rs.)	As at 31 <sup>st</sup> March, 2019 (Rs.)
I	<b>Contingent Liabilities</b>		
	(A) Claims against the company / disputed liabilities not acknowledged as debts	2,90,12,866	3,22,40,055
	(B) Guarantees	NIL	NIL
	- Bank Guarantees	NIL	NIL
	(C) Other Money for which the company is contingently liable		
II	<b>Commitments</b>		
	Estimated amount of contracts remaining to be executed on capital account and not provided for the year	NIL	NIL

<b>3. SHARE CAPITAL</b>		<b>31 March 2020</b>	<b>31 March 2019</b>	
		<b>Amount in Rs</b>	<b>Amount in Rs</b>	
<b>Authorised :</b>				
50,00,000 (Previous year 50,00,000) Equity Share of Rs. 10/- each		<b>5,00,00,000</b>	5,00,00,000	
<b>Total</b>		<b>5,00,00,000</b>	<b>5,00,00,000</b>	
<b>Issued, Subscribed and Paid Up :</b>				
46,00,400 (Previous year 46,00,400) Equity Shares Equity Share of Rs. 10/- each (includes 13,80,400 Bonus Shares issued in the ratio of 7 Equity shares for every 10 shares) (includes 12,48,000 Equity Shares of Rs 10/- each issued at a premium of Rs 6/- each share)		<b>4,60,04,000</b>	4,60,04,000	
<b>Total</b>		<b>4,60,04,000</b>	<b>4,60,04,000</b>	
<b>a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>				
<b>Equity Shares</b>		<b>31 March 2020</b>	<b>31 March 2019</b>	
		<b>Amount in Rs</b>	<b>Amount in Rs</b>	
Number of Shares at the beginning of the period		<b>46,00,400</b>	46,00,400	
Add:-New Equity shares issued during the year		-	-	
Number of Shares at the end of the period		<b>46,00,400</b>	<b>46,00,400</b>	
<b>b. List of Shareholders holding more than 5% shares in the Company</b>				
<b>Shareholder's Name</b>	<b>As at 31 March,2020</b>		<b>As at 31 March,2019</b>	
	<b>Shares</b>	<b>% holding in the class</b>	<b>Shares</b>	<b>% holding in the class</b>
Ravindra Kumar Arya	<b>15,30,000</b>	<b>33.26%</b>	15,30,000	33.26%
Ravindra Kumar Arya (HUF)	<b>5,16,970</b>	<b>11.24%</b>	5,16,970	11.24%
Jaybharat Filaments Pvt. Ltd.	<b>4,25,850</b>	<b>9.26%</b>	4,25,850	9.26%
Bindal Exim Private Limited	<b>6,52,800</b>	<b>14.19%</b>	6,52,800	14.19%
<b>c. The Equity Shares issued and paid up includes 13,80,400 shares issued as bonus Shares for consideration other than cash issued during FY 2016-17.</b>				
<b>4. RESERVE &amp; SURPLUS</b>		<b>31 March 2020</b>	<b>31 March 2019</b>	
		<b>Amount in Rs</b>	<b>Amount in Rs</b>	
Securities Premium account:				
Opening Balance		<b>2,83,57,856</b>	2,83,57,856	
Add: Security premium received on Equity share issued		-	-	
Less: Amount utilized		-	-	
		<b>2,83,57,856</b>	2,83,57,856	
<b>Surplus / (Deficit) in Statement of Profit and Loss :</b>				
Balance as per Last Financials		<b>1,06,67,282</b>	75,41,242	
Add : Profit for the year		<b>18,84,675</b>	9,28,194	
Less: Previous year adjustment		-	21,93,840	
Less : Short Provision of Income tax for A.Y. 2019-20		<b>(3,43,352)</b>	4,005	
		<b>1,22,08,605</b>	1,06,67,282	
<b>Total</b>		<b>4,05,66,461</b>	<b>3,90,25,138</b>	
Previous year adjustment in FY 2018-19 is in respect of refund of income tax of A.Y. 2004-05 of Rs 2193840/-, which was written off in earlier years.				

5. LONG-TERM BORROWINGS	Non-current portion		Current portion	
	31 March 2020 Amount in Rs	31 March 2019 Amount in Rs	31 March 2020 Amount in Rs	31 March 2019 Amount in Rs
<b>Secured loans</b>				
Working Capital Term Loan from Banks	-	-	-	-
Current portion amount disclosed under other Current liabilities' (Note-9)	-	-	-	-
<b>6. Deferred Tax Liability</b>				
Opening Balance			4,01,745	-
Add / (Less): Provision for the year / Writeback for the year			(5,39,603)	4,01,745
Closing Balance			(1,37,858)	4,01,745
<b>7. Other long term liabilities</b>			<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
Trade Payable:			33,01,682	-
			33,01,682	-
<b>7. SHORT-TERM BORROWINGS</b>			<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
<u>Working Capital Secured loans:</u>				
Indian rupee loans from banks			7,68,10,349	8,28,98,428
			7,68,10,349	8,28,98,428
The Working Capital term loan facilities is availed from Axis Bank Limited and is primarily secured by charge on all existing and future current assets and moveable fixed assets of Bindal Exports Ltd. It is collaterally secured by way of mortgage over offices owned by director of the company Mr. Ravindra Arya, located at B/702, 703, 704 and 705, International Trade Centre, Majura Gate, Ring Road, Sagrapura, Surat and Factory land and building at block no. 216, Kadodara, Opp. Chatral Farm, Kadodara, Palsana, Surat in the name of Bindal Silk Mills P. Ltd. It is also secured by personal guarantee of Mr. Ravindra Arya.				
<b>8. TRADE PAYABLES</b>			<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
Trade Payables				
Total outstanding dues of micro enterprises and small enterprises			-	2,68,390
Total outstanding dues of creditors other than micro enterprises and small enterprises			3,99,17,489	3,76,41,363
			3,99,17,489	3,79,09,753
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year - NIL				
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; - NIL				
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; - NIL				
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and NIL				
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. - NIL				
<b>9. OTHER CURRENT LIABILITIES</b>			<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
Advance from Customers			2,67,567	1,14,135
Current maturities of long-term debts			-	-
Other Current Liabilities			2,74,716	2,56,932
			5,42,284	3,71,067
<b>10. SHORT TERM PROVISIONS</b>			<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
For Expenses			19,38,894	19,79,076
For Tax			(5,878)	6,05,628
			19,33,016	25,84,704

**BINDAL EXPORTS LIMITED**
**11. TANGIBLE ASSETS**

Cost or Valuation	Land	Plant & Machinery	Computer & Software	Office Equipment	Furniture & Fixture	Vehicles	Building Shed	Total
<b>As at 01 April 2019</b>	1,19,04,274	69,32,329	9,14,164	5,53,971	8,18,995	53,35,550	13,97,119	2,78,56,402
Additions	-	-	8,390	-	-	-	-	8,390
Total	1,19,04,274	69,32,329	9,22,554	5,53,971	8,18,995	53,35,550	13,97,119	2,78,64,792
Disposals	-	60,927	3,89,183	1,51,517	10,500	-	6,614	6,18,741
Other Adjustments - (Note 1(b))	-	-	-	-	-	-	-	-
- Exchange Differences	-	-	-	-	-	-	-	-
- Borrowing costs	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	1,19,04,274	68,71,402	5,33,371	4,02,454	8,08,495	53,35,550	13,90,505	2,72,46,051
<b>As at 01 April 2018</b>	1,19,04,274	74,75,329	8,31,316	5,37,175	8,18,995	52,57,375	-	2,68,24,464
Additions	-	-	82,847	16,796	-	78,175	13,97,119	15,74,938
Total	1,19,04,274	74,75,329	9,14,164	5,53,971	8,18,995	53,35,550	13,97,119	2,83,99,402
Disposals	-	5,43,000	-	-	-	-	-	5,43,000
Other Adjustments	-	-	-	-	-	-	-	-
- Exchange Differences	-	-	-	-	-	-	-	-
- Borrowing costs	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	1,19,04,274	69,32,329	9,14,164	5,53,971	8,18,995	53,35,550	13,97,119	2,78,56,402
<b>Depreciation</b>								
<b>As at 01 April 2019</b>	-	62,82,786	8,04,488	4,66,586	7,45,512	49,23,863	84,000	1,33,07,235
Additions	-	55,376	38,462	7,211	13,176	52,959	1,24,212	2,91,396
Total	-	63,38,162	8,42,950	4,73,797	7,58,688	49,76,822	2,08,212	1,35,98,631
Disposals	-	47,820	3,89,183	1,51,517	10,500	-	-	5,99,020
Other Adjustments	-	-	-	-	-	-	-	-
- Exchange Differences	-	-	-	-	-	-	-	-
- Borrowing costs	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	-	62,90,342	4,53,767	3,22,280	7,48,188	49,76,822	2,08,212	1,29,99,611
<b>As at 01 April 2018</b>	-	65,74,186	7,02,546	4,53,423	7,25,774	47,87,553	-	1,32,43,482
Additions	-	2,03,552	1,01,942	13,163	19,738	1,36,310	84,000	5,58,705
Total	-	67,77,738	8,04,488	4,66,586	7,45,512	49,23,863	84,000	1,38,02,187
Disposals	-	4,94,952	-	-	-	-	-	4,94,952
Other Adjustments	-	-	-	-	-	-	-	-
- Exchange Differences	-	-	-	-	-	-	-	-
- Borrowing costs	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	-	62,82,786	8,04,488	4,66,586	7,45,512	49,23,863	84,000	1,33,07,235
<b>Net Block</b>								
<b>As at 31 March 2020</b>	1,19,04,274	5,81,060	79,603	80,175	60,307	3,58,728	11,82,293	1,42,46,440
<b>As at 31 March 2019</b>	1,19,04,274	6,49,543	1,09,676	87,386	73,483	4,11,687	13,13,119	1,45,49,166

12. NON-CURRENT INVESTMENTS			31 March 2020	31 March 2019
Non-trade investments (valued at cost unless stated otherwise)			Amount in Rs	Amount in Rs
In units of Mutual Fund:	M.V. as at 31-03-2020	M.V. as at 31-03-2019		
UTI Opportunities Fund	44.72	61.81	40,000	7,30,000
UTI Dividend Yield Fund	51.77	66.05	40,000	7,50,000
			<u>80,000</u>	<u>14,80,000</u>
<b>13. LONG TERM LOANS AND ADVANCES</b>			<b>31 March 2020</b>	<b>31 March 2019</b>
Other Advances			Amount in Rs	Amount in Rs
			-	-
			<u>-</u>	<u>-</u>
<b>14. TRADE RECEIVABLES</b>			<b>31 March 2020</b>	<b>31 March 2019</b>
Trade Receivables			Amount in Rs	Amount in Rs
Trade Receivables considered good - Secured			-	-
Trade Receivables considered good - Unsecured				
For Exports			22,02,924	-
For Domestic sales			84,74,334	-
Trade Receivables which have significant increase in Credit Risk			-	-
For Exports			-	-
For Domestic sales			-	-
Trade Receivables - credit impaired			-	-
			<u>1,06,77,258</u>	<u>-</u>
Provision for doubtful receivables			-	-
			<u>1,06,77,258</u>	<u>-</u>
<b>15. OTHER NON-CURRENT ASSETS</b>			<b>31 March 2020</b>	<b>31 March 2019</b>
Unsecured, considered good unless stated otherwise			Amount in Rs	Amount in Rs
Deposits			16,000	16,000
Balance with Revenue Authorities			18,68,161	18,68,161
			<u>18,84,161</u>	<u>18,84,161</u>
<b>16. INVENTORIES</b>			<b>31 March 2020</b>	<b>31 March 2019</b>
			Amount in Rs	Amount in Rs
Grey Cloth			2,52,52,785	1,98,40,013
Fabrics			3,08,61,648	2,44,13,961
Yarn			1,92,728	1,92,728
			<u>5,63,07,161</u>	<u>4,44,46,702</u>
<b>17. TRADE RECEIVABLES</b>				
Trade Receivables considered good - Secured				
Trade Receivables considered good - Unsecured				
For Exports			40,08,927	1,03,75,243
For Domestic sales			11,38,79,371	12,95,70,113
Trade Receivables which have significant increase in Credit Risk			-	-
Trade Receivables - credit impaired			-	19,39,976
			<u>11,78,88,298</u>	<u>14,18,85,332</u>
Provision for doubtful receivables			-	5,08,906
			<u>11,78,88,298</u>	<u>14,13,76,426</u>
<b>18. CASH AND BANK BALANCES</b>				
			Non-Current portion	Current portion
			31 March 2020	31 March 2019
			Amount in Rs	Amount in Rs
Cash on hand:-			-	-
			<u>15,43,267</u>	<u>4,83,199</u>
Balance with Banks:				
- In Current accounts			-	-
			<u>9,08,509</u>	<u>4,35,547</u>
<b>TOTAL</b>			<u>-</u>	<u>-</u>
			<u>24,51,776</u>	<u>9,18,746</u>



<b>19. OTHER CURRENT ASSETS</b>	<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
Advance to suppliers	8,45,412	12,62,547
Staff loans	3,40,085	53,000
Export Incentives Receivable	18,02,014	15,03,235
Balance with revenue authority	18,62,254	13,22,362
Other advances	5,52,565	3,98,489
	<u>54,02,330</u>	<u>45,39,633</u>
<b>20. REVENUE FROM OPERATIONS</b>	<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
(i) Export Sales		
- Fabrics & Garment sales	2,73,98,224	5,56,08,271
(ii) Local Sales		
- Grey cloth	22,04,967	38,70,696
- Fabrics & Fants	28,43,30,263	23,25,32,040
- Polyester Yarn	-	28,86,658
- Made ups	2,98,17,925	2,25,09,017
(iii) Export Incentives	22,13,589	22,35,070
(v) Job-Work Income	1,17,635	28,68,194
<b>Total</b>	<u>34,60,82,604</u>	<u>32,25,09,947</u>
<b>21. OTHER INCOME</b>	<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
Profit / (Loss) on sale of fixed assets	-	(27,510)
Profit / (Loss) on sale of investments	6,57,613	-
Interest on income tax refund	19,554	9,79,535
	<u>6,77,167</u>	<u>9,52,025</u>
<b>22. MATERIAL</b>	<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
<u>Consumption of Grey Cloth :</u>		
Opening stock	1,98,40,013	3,22,01,001
Add : Purchases	14,88,51,800	10,22,98,440
	<u>16,86,91,813</u>	<u>13,44,99,441</u>
Less : Closing stock	2,52,52,785	1,98,40,013
<b>Total</b>	<u>14,34,39,028</u>	<u>11,46,59,428</u>
<b>23. PURCHASE OF TRADED GOODS</b>	<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
Fabrics Purchases	9,68,01,293	11,30,36,593
Yarn Purchase	-	27,82,334
<b>Total</b>	<u>9,68,01,293</u>	<u>11,58,18,927</u>
<b>24. INCREASE / DECREASE IN STOCK</b>	<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
<u>Fabrics</u>		
Opening Stock	2,44,13,961	1,76,61,362
Less: Closing Stock	3,08,61,648	2,44,13,961
	<u>(64,47,687)</u>	<u>(67,52,599)</u>
<u>Yarn</u>		
Opening Stock	1,92,728	1,92,728
Less: Closing Stock	1,92,728	1,92,728
	-	-
<b>Total</b>	<u>(64,47,687)</u>	<u>(67,52,599)</u>
<b>25. EMPLOYEE BENEFIT EXPENSES</b>	<b>31 March 2020 Amount in Rs</b>	<b>31 March 2019 Amount in Rs</b>
Factory Salaries, wages & bonus	55,52,287	50,14,487
Office Salary & Staff welfare Expenses	1,04,58,787	1,00,36,626
	<u>1,60,11,074</u>	<u>1,50,51,113</u>

<b>26. OTHER MANUFACTURING AND OPERATING EXPENSES</b>		<b>31 March 2020</b>	<b>31 March 2019</b>
		<b>Amount in Rs</b>	<b>Amount in Rs</b>
Brokerage & Commission		10,00,608	10,37,877
Job charges		5,83,24,603	4,59,68,829
Import Transportation and clearing expenses		3,43,763	6,41,859
Grey Checking, Cutting & Folding Expenses		2,64,691	1,55,732
Design Development Charges		3,70,497	6,88,389
Electric power and Generator expense		2,24,333	2,58,877
Packing & other purchases		35,94,479	22,97,331
Store, Repairs & Maintenance expenses		2,64,119	86,695
Disposal of fixed asset		13,107	-
	<b>Total</b>	<b>6,44,00,200</b>	<b>5,11,35,589</b>
<b>27. SALES &amp; ADMINISTRATION EXPENSES</b>		<b>31 March 2020</b>	<b>31 March 2019</b>
		<b>Amount in Rs</b>	<b>Amount in Rs</b>
Advertisement & Sales Promotion expenses		10,07,990	5,07,813
Auditor's Remuneration		60,000	60,000
Director's Remuneration		17,40,000	10,20,000
Excise Duty expenses		5,25,184	-
Legal & Professional expenses		3,22,758	9,49,499
Sales Commission		67,68,094	44,23,040
Transportation, Clearing and forwarding expenses		41,49,309	32,54,366
Travelling and conveyance expenses		6,75,942	8,65,383
Bad debt written off		15,22,008	51,28,491
Other Sales & Administrative expenses		55,30,509	65,62,736
	<b>Total</b>	<b>2,23,01,793</b>	<b>2,27,71,328</b>
Payment to Auditors:			
	<b>31 March 2020</b>	<b>31 March 2019</b>	
	<b>Amount in Rs</b>	<b>Amount in Rs</b>	
Audit Fees	40,000	40,000	
Taxation matters	20,000	20,000	
GST/ Service Tax	-	-	
	<b>60,000</b>	<b>60,000</b>	
<b>28. FINANCIAL EXPENSES</b>		<b>31 March 2020</b>	<b>31 March 2019</b>
		<b>Amount in Rs</b>	<b>Amount in Rs</b>
Interest expenses		73,13,287	77,37,038
Interest on late payment of TDS		10,461	25,740
Bank charges		9,49,731	5,21,136
	<b>Total</b>	<b>82,73,479</b>	<b>82,83,913</b>
<b>29. EARNING PER SHARE</b>		<b>Amount in Rs</b>	<b>Amount in Rs</b>
<b>A) Basic</b>			
i) Computation of Profit(umerator)			
- Net Profit attributable to Shareholders		18,84,675	9,28,194
ii) Computation of Weighted average number of shares(denominator)			
- Number of shares outstanding at the beginning of the period		46,00,400	46,00,400
- weighted average number of equity shares issued and outstanding during the year		46,00,400	-
Adjusted weighted average equity shares		46,00,400	46,00,400
EPS(basic)		0.41	0.20
<b>B) Diluted</b>			
i) Computation of Profit(umerator)			
- Net Profit attributable to Shareholders		18,84,675	9,28,194
ii) Computation of Weighted average number of shares(denominator)			
- Number of shares outstanding at the beginning of the period		46,00,400	46,00,400
- weighted average number of equity shares issued and outstanding during the year		-	-
Adjusted weighted average equity shares		46,00,400	46,00,400
EPS(diluted)		0.41	0.20

**30. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS**

The company does not provide for gratuity expenses on accrual basis. However, on retirement or cessation of employment of any employee, an adhoc amount in form of ex-gratia is paid to the said employee.

**31. RELATED PARTIES DISCLOSURE**

Related parties with whom transactions have been taken place during the year.

Jointly controlled entity:

Jaybharat Filaments Pvt. Ltd.  
Jaybharat Finstock Pvt. Ltd.  
Bindal Silk Mills Pvt. Ltd.  
Bindal Exim Pvt. Ltd.  
Laurel Apparels Pvt. Ltd.  
J.B Infomatics Pvt. Ltd.  
Jayvik Machinerics Pvt. Ltd.

**Related party transactions:**

**a. Sale or purchase of goods or receipt / providing of services**

Year ended	Name of the party	Sale of goods / Services	Purchase of goods / Services	Amount owed by related parties	Amount owed to related parties
Associates and jointly controlled entities:					
31 March 2020	Jaybharat Filaments Pvt. Ltd.	-	4,91,28,418	-	4,38,201
	Bindal Silk Mills	-	4,98,06,818	-	32,48,936
	Bindal Exim Pvt.	-	4,94,65,302	-	72,08,302
31 March 2019	Jaybharat Filaments Pvt. Ltd.	-	4,93,13,982	11,500	-
	Bindal Silk Mills Pvt. Ltd.	45,088	41,84,332	63,796	84,41,185
	Bindal Exim Pvt. Ltd.	-	5,50,58,291	-	26,57,881

**b. Loans given and repayment thereof**

Year ended	Name of the party	Loans given	Repayment
31 March 2020	Bindal Silk Mills Pvt Ltd	8,00,000	-
31 March 2019		-	-

**c. Loans received and repayment thereof**

Year ended	Name of the party	Loans received	Repayment
31 March 2020	Ravindra Arya	-	-
	Bindal Silk Mills Pvt Ltd	-	-
31 March 2019	Ravindra Arya	65,00,000	65,00,000
	Bindal Silk Mills Pvt Ltd	1,55,26,400	1,58,25,000

**d. Remuneration to key managerial personnel**

Year ended	Name of the personnel	Designation	
31 March 2020	Ravindra Arya	Managing Director	4,20,000
	Anupam Arya	Director	13,20,000
	Nishidha Arya	Chief Financial officer	1,75,000
31 March 2019	Ravindra Arya	Managing Director	4,20,000
	Anupam Arya	Director	6,00,000
	Nishidha Arya	Chief Financial officer	75,000



**BINDAL EXPORTS LIMITED**  
**CIN NO. L51109GJ2007PLC050915**

Regd. office: Blok No.270, Near Kumbharia Bus Stand, Surat-Kadodara Road, Kumbharia, Surat-395006, Gujarat, India

Tel No. : +91-261-2640706 Email: [cs@bindalexports.com](mailto:cs@bindalexports.com) Website: [www.bindalexports.com](http://www.bindalexports.com)

**13<sup>TH</sup> ANNUAL GENERAL MEETING ATTENDANCE SLIP**  
**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**

Folio No./DP ID/ Client ID#	
No. of Equity Shares Held	

I certify that I am member/proxy/authorized representative for the member of the Company.

I hereby record my presence at the 13th Annual General Meeting of the Company being held at **Blok No.270, Near Kumbharia Bus Stand, Surat-Kadodara Road, Kumbharia, Surat-395006, Gujarat, on Wednesday, 30th September, 2020 at 12:30 p.m.**

Name of Shareholder (In Block letter)	
Name of proxy/ Authorized Representatives attending*(In Block letter)	

\* Strike out whichever is not applicable

#Applicable for Shareholders holding Shares in Dematerialized Form.

\_\_\_\_\_  
Signature of the attending Shareholder/  
Proxy/ Authorised Representative\*

**BINDAL EXPORTS LIMITED**  
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**PROXY FORM**  
**FORM NO. MGT-11**

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

Name of the member (s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id:	

I/We \_\_\_\_\_ being member(s) of above named company, hereby appoint

1) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email Id: \_\_\_\_\_ Signatures: \_\_\_\_\_ or falling him:

2) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email Id: \_\_\_\_\_ Signatures: \_\_\_\_\_ or falling him:

3) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email Id: \_\_\_\_\_ Signatures: \_\_\_\_\_ or falling him:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13th Annual General Meeting of the Company being held at registered office of the Company at **Blok No.270, Near Kumbharia Bus Stand, Surat-Kadodara Road, Kumbharia, Surat-395006, Gujarat**, on Wednesday, 30th September, 2020 at 12:30 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions	Vote (*Optional)	
		For	Against
	<b>Ordinary Business</b>		
1.	Ordinary Resolution for Adoption of Audited Financial Statements for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon.		
2.	Ordinary Resolution To appoint Director in place of Mr. Apurva Arya (DIN: 06558623), who retires by rotation, and being eligible, offers himself for reappointment.		
3.	Ordinary Resolution for Re-appointment of Statutory Auditors of the Company and fix their Remuneration		
	<b>SPECIAL BUSINESS</b>		
4.	Ordinary Resolution To approve Related Party Transaction and in this regard to consider and if thought fit, to pass with or without modification(s).		
5.	Special Resolution To increase the overall managerial remuneration.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ September, 2020

Affix
Rs. 1
Revenue

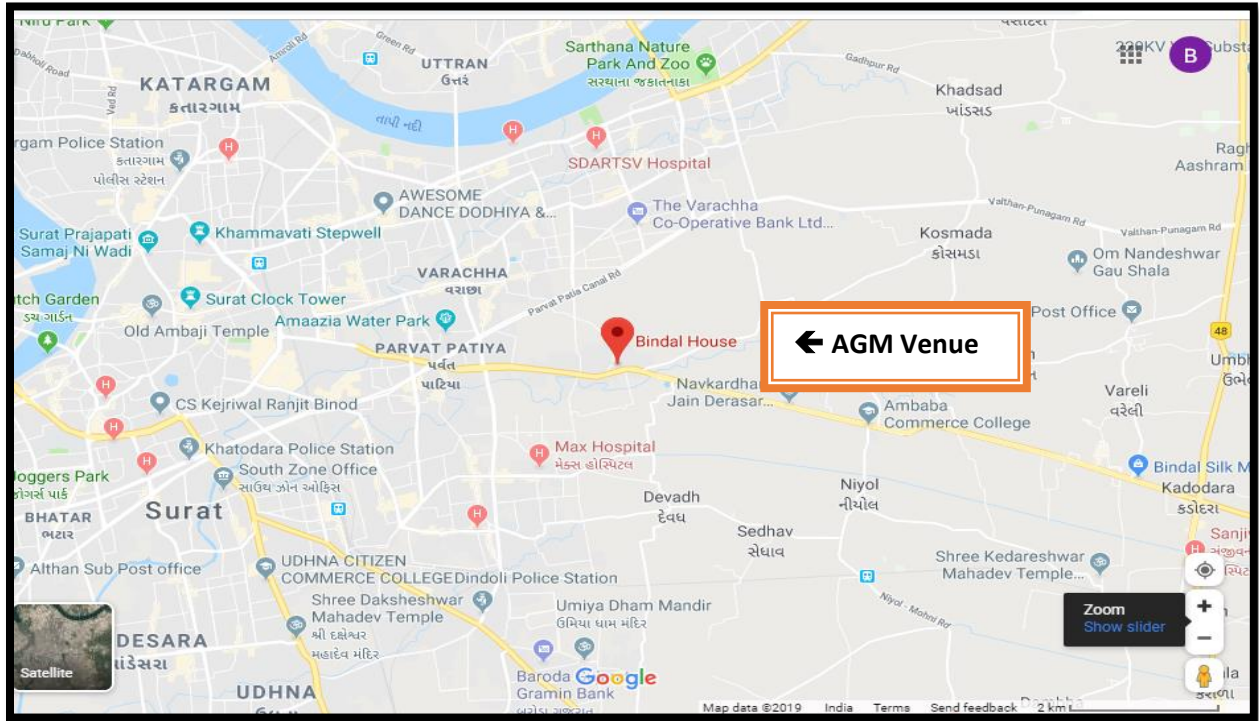
\_\_\_\_\_  
Signature of the Shareholder

\_\_\_\_\_  
Signature of Proxy Holder(s)

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 13th Annual General Meeting.
3. Please complete all details including details of member(s) in above box before submission.
4. It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

**ROUTE MAP TO THE VENUE OF THE 5TH ANNUAL GENERAL MEETING OF BINDAL EXPORTS LIMITED TO BE HELD ON 30TH SEPTEMBER, 2020 AT BLOCK NO.270, BINDAL HOUSE, SURAT-KADODARA ROAD, KUMBHARIA, SURAT, GUJARAT-395010**







# **BINDAL EXPORTS LIMITED**

**CIN NO. L51109GJ2007PLC050915**

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