

8<sup>th</sup> September, 2022

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street Fort,  
Mumbai, MH-400001  
Script Code: 512109

**Subject – 38<sup>th</sup> Annual Return of the Company for the Financial Year 2021-22**  
**Ref – Regulation 30 and 34(1) of SEBI (Listing Obligation and Disclosure Requirements)**  
**Regulations, 2015**

Pursuant to Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, (the SEBI LODR), we enclose herewith the Annual Report of the Company for the Financial Year ended March 31, 2022, along with the Notice of the Thirty Eighth (38<sup>th</sup>) Annual General Meeting (AGM) of the Company scheduled to be held on Friday, September 30, 2022, at 5:00 P.M. (IST) through Video Conferencing/Other Audio Visual Means.

Please note that the electronic copy of the 38<sup>th</sup> Annual Report for the financial year 2021-22 along with the notice of the 38<sup>th</sup> AGM is being sent by email to those Members whose email address are registered with the Company/Depositories. Further, as required under the SEBI LODR, physical copies the aforesaid documents are being dispatched through permissible mode to those Members whose email addresses are not registered. The notice of the 38<sup>th</sup> AGM and the annual report 2021-22 are also being uploaded on the website of the Company.

Thankingyou,  
Yours faithfully,

For AVIVA INDUSTRIES LIMITED



**BHARVIN PATEL**  
**MANAGING DIRECTOR**



AVIVA INDUSTRIES LIMITED  
(CIN: L51100MH1984PLC034190)  
38<sup>th</sup> Annual Report  
F.Y. 2021-2022

**ABOUT THE COMPANY:**

Established in the year 1984 at Mumbai (Maharashtra, India), we “Aviva Industries Limited,” was a Denim Manufacturing unit that was then taken over by our present Promoters and been functioning since then in the Glass Mosaic Industry.

Aviva Industries Limited was set-up with the mission to trade in Textile Products of highest standard and now has been shifted its business to Mosaic Industry. We believe that “People come first”. This includes clients, contacts, staff and all stakeholders.

We wish to partner in growth of our esteemed clients. Our Clients Satisfaction is best compliment for us. Believing in providing best quality products to our clients and therefore committed to our following values:

**OUR VALUES:**

- Meticulous Attention to Detail.
- Passion for making a Difference.
- Prompt and Exact Communication.
- Proven & High Quality Products.
- Respect Our Clients and Ourselves.

**OUR MISSION:**

To be a global partner for the supply of high-quality Glass Mosaic by offering customer a product that is personalized and which is backed by technology, and control systems with a focus on zero defect and complete customer satisfaction

## **CHAIRMAN'S MESSAGE**

**Dear Stakeholders,**

Aviva Industries Limited ("Aviva") has been at the forefront of Glass Mosaic production in India, spanning almost Four decades of production.

Founded in 1984, Aviva was a Denim Manufacturing unit that was then taken over by our present Promoters and been functioning since then in the Glass Mosaic Industry.

India today, is at the forefront of mainstream acceptance of the Mosaic Market and not just that, Mosaic Industry has been booming across the globe in today's times. It is a well-accepted fact that to grow and prosper, Indian companies need to think global with a keen focus on innovation and uniqueness.

It is with this mindset on which our company mission is based:

To be a global partner for the supply of high-quality Glass Mosaic by offering customer a product that is personalized and which is backed by technology, and control systems with a focus on zero defect and complete customer satisfaction.

A strong and a constant focus on R&D has led to some breakthrough offerings that are yet in the pipeline. The Company is right now like the utmost pressured state of a spring and now the only next step is to bounce back with a great impact on the Market. These proposed projects have been developed with a view to enable our customers to meet their growing demands in the markets more efficiently, by improving the yields on their filling lines & preserving the quality of the customized products we offer.

The name Aviva speaks of who we are and what we stand for. It represents the freshness of an object. Here, we are always up for fresh projects, Designs and Innovations, thus proving up to our name. This has enabled our customers to perceive us as a company with rich history and tradition and also a company that is innovative, quality minded and one which acts with ethics and integrity. At the end of the day, this is the only thing which matters for customer satisfaction.

Sincerely,

**Bharvin S Patel**  
**Chairman and Managing Director**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Bharvinbhai S. Patel	Chairman and Managing Director
Ms. Shetna B Patel	Non-Executive Director
Mr. Chetan R. Gandhi	Independent Director

### COMPANY SECRETARY AND COMPLIANCE OFFICER (CS)

Mr. Harshil Joshi	Resigned w.e.f. 18.03.2022
Ms. Khushbu Garg	Appointed w.e.f. 06.08.2022

### REGISTERED OFFICE

4<sup>th</sup> floor, Jaya Talkies, S.V. Road, Opp. Indraprastha, Borivalli (W), Mumbai – 400 092  
**Web:** www.avivaindustries.com  
**Email:** aviva.amd@gmail.com

### CORPORATE OFFICE

C-3/1001, Anushruti Tower, Nr. Jain Derasar, Opp. New York Tower, Nr. Thaltej Cross Roads, S.G. Highway, Ahmedabad – 380 054  
**Phone:** +91-79-2685 6815

### REGISTRAR AND SHARE TRANSFER AGENTS

#### Link Intime India Private Limited

506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Off C.G. Road, Ellisbridge, Ahmedabad - 380 006

**Phone:** +91 79-2646 5179; **Web:** www.linkintime.co.in; **Email:** ahmedabad@linkintime.co.in

### STATUTORY AUDITORS

#### M/s. P Singhvi & Associates

Chartered Accountants  
112, University Plaza, Vijay Char Rasta, Navrangpura, Ahmedabad - 380009

### SECRETARIAL AUDITORS

#### Mr. Yash Mehta

Practicing Company Secretary  
34/401, Raghukul Apt., Solaroad, Naranpura, Ahmedabad, Gujarat, 380063

### AUDIT COMMITTEE

Saurin Shah	Chairman
Bharvin Patel	Member
Chetan Gandhi	Member

### NOMINATION & REMUNERATION COMMITTEE

Saurin Shah	Chairman
Mrs. Shetna Patel	Member
Chetan Gandhi	Member

**STAKEHOLDERS GRIEVANCE AND REDRESSAL COMMITTEE**

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Saurin Shah	Chairman
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Bharvin Patel	Member
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Shetna Patel	Member
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## NOTICE OF 38<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Thirty Eight (38<sup>th</sup>) Annual General Meeting (AGM) of the Members of Aviva Industries Limited will be held on Friday, September 30, 2022 at 5.00 P.M. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses:

### **ORDINARY BUSINESSES:**

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution**.

**“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. To appoint a Director in place of Ms. Shetna Patel Bharvin (DIN: 06642724) who retires by rotation and being eligible, seeks re-appointment.

Explanation: Based on the terms of appointment, executive directors and non-executive directors are subject to retirement by rotation. Ms. Shetna Patel Bharvin (DIN: 06642724), who was appointed as Non-Executive Director, retires by rotation and, being eligible, seeks re-appointment.

To the extent that Ms. Shetna Patel Bharvin (DIN: 06642724) is required to retire by rotation, she would need to be re-appointed as such. Therefore, shareholders are requested to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded for the re-appointment of Ms. Shetna Patel Bharvin (DIN: 06642724) as such, to the extent that she is required to retire by rotation”.

### **SPECIAL BUSINESS:-**

3. To re-appoint Mr. Bharvin Patel (DIN: 01962391) as a Chairman and Managing Director of the Company.

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the relevant section of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and on recommendation of Nomination and Remuneration Committee and as agreed by the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Bharvin Patel (DIN: 01962391) as a Chairman and Managing Director of the Company for a period of 5 (Five) years with effect from October 1, 2022, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to vary, alter and modify the terms and conditions of reappointment including as to designation and remuneration/ remuneration structure of Mr. Bharvin Patel within the limits prescribed in the explanatory statement to this

resolution and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution”.

4. To re-appoint Mr. Chetan Gandhi (DIN: 00821794) as Non-Executive Independent Director:

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

**“RESOLVED THAT**, pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Chetan Gandhi (DIN: 00821794), as Non- Executive Independent Director for second and final term of five years of the Company for a term of five years with effect from 30th January, 2022 up to 30th January, 2027.

**RESOLVED FURTHER THAT** any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Chetan Gandhi (DIN: 00821794) as Non-Executive Independent Director of the Company”.

5. To approve transactions under Section 185 of the Companies Act, 2013, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 185 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Amendment) Act, 2017 and Rules made thereunder, including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force, and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to advance/ advanced previously any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company or any other person in whom any of the Directors of the Company is interested/deemed to be interested of the Companies Act, 2013, from time to time, in their absolute discretion as may be deemed beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file necessary returns/ forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered necessary, incidental and ancillary in order to give effect to this Resolution.”

**For, Aviva Industries Limited**

**Date:** September 06, 2022  
**Place:** Ahmedabad

**Sd/-**  
**Bharvin Patel**  
**Chairman and Managing Director**  
**DIN: 01962391**



## **IMPORTANT NOTES**

1. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19 Pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 21/2021 dated 14th December, 2021 (including other applicable circular(s) as issued by MCA) and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct their AGMs through Video Conferencing (VC) or Other Audio Visual Mean (OAVM). In accordance with the said circular(s) of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the 38th AGM of the Company shall be conducted through VC / OAVM. The deemed venue of the meeting shall be the registered office of the Company.  
The detailed procedure for participation in the meeting through VC/OAVM is provided at the end of notice and available at the Company's website [www.avivaindustries.com](http://www.avivaindustries.com).
2. In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website [www.avivaindustries.com](http://www.avivaindustries.com), website of Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).
3. Information regarding appointment/re-appointment of Director(s) pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard II is annexed hereto.
4. Though, pursuant to the provisions of the Act, a Member is entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf, since this AGM is being held pursuant to the Circular No. 14/2020 dated April 8, 2020 which is extended through Circular No. SEBI/HO/DDHS/DDHS\_Div2/P/CIR/2022/079 dated June 03, 2022, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [csanandlavingia@gmail.com](mailto:csanandlavingia@gmail.com) with copies marked to the Company at [aviva.amd@gmail.com](mailto:aviva.amd@gmail.com) and to National Securities Depository Limited (NSDL) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
7. Those shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses submitted, by following the procedure given below:

- (a) In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), and AADHAR (self-attested scanned copy of Aadhar Card) by email to aviva.amd@gmail.com.
  - (b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to aviva.amd@gmail.com.
  - (c) Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (a) or (b) as the case may be.
  - (d) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
  - (e) It is clarified that for permanent submission of e-mail address, the shareholders are however requested to register their email address, in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, having its office at 506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Off C.G. Road, Ellisbridge, Ahmedabad-380 006 by following the due procedure.
  - (f) Those shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, Link In Time India Private Limited to enable servicing of notices / documents / annual Reports electronically to their e-mail address.
8. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company mentioning their name demat account number/folio number, email id, mobile number at aviva.amd@gmail.com on or before September 20, 2022 so as to enable the management to keep the information ready.
  9. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
  10. Members holding the shares in dematerialized form are requested to notify immediately, the information regarding change of address and bank particulars to their respective Depository Participant.
  11. **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS AND PARTICIPATING AT THE ANNUAL GENERAL MEETING THROUGH VC/OAVM:**
    - i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020, May 5, 2020 and SEBI Circular dated May 12, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL, as the Authorized e-voting agency for

facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.

- ii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, September 23, 2022, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
- iii. The remote e-voting will commence on 9:00 A.M. on Tuesday, September 27, 2022 and will end on 5:00 P.M. on Thursday, September 29, 2022. During this period, the members of the Company holding shares as on the Cut-off date i.e. Friday, September 23, 2022 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.
- iv. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- v. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Friday, September 23, 2022.
- vi. The Company has appointed Ms. Megha Samdani, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

#### **INSTRUCTIONS FOR CASTING VOTES BY REMOTE E-VOTING**

**The remote e-voting period begins on 9:00 A.M. on Tuesday, September 27, 2022 and will end on 5:00 P.M. on Thursday, September 29, 2022. The remote e-voting module shall be disabled by NSDL for voting thereafter.**

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

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

##### **Step 1. Access to NSDL e-Voting system.**

#### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL.</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting</b></li> </ol>

Type of shareholders	Login Method
	<p><b>service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>“Register Online for IDeAS”</b> Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
<p><b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?

- i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2. Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**GENERAL GUIDELINES FOR SHAREHOLDERS**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csanandlavingia@gmail.com](mailto:csanandlavingia@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [aviva.amd@gmail.com](mailto:aviva.amd@gmail.com). The same will be replied by the company suitably.

## **CONTACT DETAILS**

<b>Company</b>	<b>AVIVA INDUSTRIES LIMITED</b> <b>Registered Office:</b> 4th floor, Jaya Talkies, S.V. Road, Opp. Indraprastha, Borivalli (W), Mumbai – 400 092 <b>Corporate Office:</b> C-3/1001, Anushruti Tower, Nr. Jain Derasar, Opp. New York Tower, Nr. Thaltej Cross Roads, S.G. Highway, Ahmedabad – 380 054 <b>Tel No.</b> +91 7926-856-815; <b>Email:</b> <a href="mailto:aviva.amd@gmail.com">aviva.amd@gmail.com</a> <b>Web:</b> <a href="http://www.avivaindustries.com">www.avivaindustries.com</a>
<b>Registrar and Transfer Agent</b>	<b>Link Intime India Private Limited</b> 506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Off C.G. Road, Ellisbridge, Ahmedabad-380 006 <b>Tel No.:</b> +91- 079-2646 5179; <b>Email:</b> <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> ; <b>Web:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
<b>e-Voting Agency &amp; VC / OAVM</b>	<b>Email:</b> <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> NSDL help desk: 1800 1020 990 and 1800 22 44 30
<b>Scrutinizer</b>	Ms. Megha Samdani <b>Email:</b> <a href="mailto:samdanikalani@gmail.com">samdanikalani@gmail.com</a> ; <b>Tel No.:</b> 9429965668



**DISCLOSURE UNDER REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-II ISSUED BY ICSI FOR ITEM NO. 1**

<b>Name</b>	<b>Mr. Bharvin S Patel</b>
<b>Date of Birth</b>	October 30, 1973
<b>Qualification</b>	Bachelors in Science (BSc)
<b>Experience - Expertise in specific functional areas - Job profile and suitability</b>	He has acquired business skills of manufacturing of Mosaic Tiles and Construction Chemicals. He has about 27 years of experience in the Mosaic tile manufacturing market and about 17 years of experience in manufacturing of Construction Chemicals market
<b>No. of Shares held as on March 31, 2022</b>	929876 Equity Shares
<b>Terms &amp; Conditions</b>	No change in existing terms and conditions
<b>Remuneration Last Drawn</b>	Rs. 2.40 Lakhs
<b>Remuneration sought to be paid</b>	Rs. 1.08 Lakhs
<b>Number of Board Meetings attended during the Financial Year 2021-22</b>	6 out of 6
<b>Date of Original Appointment</b>	April 30, 2010
<b>Date of Appointment in current terms</b>	October 1, 2017
<b>Directorships held in other Public Companies</b>	1
<b>Memberships / Chairmanships of committees of public companies**</b>	Membership – 2 Committees
<b>Inter-se Relationship with other Directors.</b>	Husband of Ms. Shetna Patel, Non-Executive Director of the Company

**DISCLOSURE UNDER REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-II ISSUED BY ICSI FOR ITEM NO. 2**

<b>Name</b>	<b>Ms. Shetna Patel</b>
<b>Date of Birth</b>	November 11, 1979
<b>Qualification</b>	HSC
<b>Experience - Expertise in specific functional areas - Job profile and suitability</b>	She has more than 6.5 years of experience in Investment business.
<b>No. of Shares held as on March 31, 2022</b>	NIL
<b>Terms &amp; Conditions</b>	No change in existing terms and conditions
<b>Remuneration Last Drawn</b>	NIL
<b>Remuneration sought to be paid</b>	NIL
<b>Number of Board Meetings attended during the Financial Year 2021-22</b>	6 out of 6
<b>Date of Original Appointment</b>	March 31, 2015
<b>Date of Appointment in current terms</b>	March 31, 2015
<b>Directorships held in other Public Companies</b>	1
<b>Memberships / Chairmanships of committees of public companies**</b>	Membership – 2 Committees
<b>Inter-se Relationship with other Directors.</b>	Spouse of Mr. Bharvin S. Patel, Managing Director of the Company

\*\*Includes only Audit Committee, Nomination Remuneration Committee and Stakeholders' Relationship Committee.

**DISCLOSURE UNDER REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-II ISSUED BY ICSI FOR ITEM NO. 2**

<b>Name</b>	<b>Mr. Chetan Gandhi</b>
<b>Date of Birth</b>	July 07, 1972
<b>Qualification</b>	Bachelors in Science (BSc)
<b>Experience - Expertise in specific functional areas - Job profile and suitability</b>	He has vast expertise in the Business of Medicines.
<b>No. of Shares held as on March 31, 2022</b>	NIL
<b>Terms &amp; Conditions</b>	No change in existing terms and conditions
<b>Remuneration Last Drawn</b>	NIL
<b>Remuneration sought to be paid</b>	NIL
<b>Number of Board Meetings attended during the Financial Year 2021-22</b>	6 out of 6
<b>Date of Original Appointment</b>	January 31, 2017
<b>Date of Appointment in current terms</b>	January 30, 2022
<b>Directorships held in other Public Companies</b>	3
<b>Memberships / Chairmanships of committees of public companies**</b>	Membership – 2 Committees
<b>Inter-se Relationship with other Directors.</b>	NIL

## DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting this 38<sup>th</sup> Annual Report together with the Audited Financial Statements for the financial year ended on 31<sup>st</sup> March, 2022. You being our valued partners in the Company, we share our vision of growth with you.

Our guiding principles are a blend of realism and optimism which has been and will be the guiding force of all our future endeavors.

The summary of financial highlight is given below:

### FINANCIAL PERFORMANCE:

<b>(Rs. in Thousands)</b>		
Particulars	F.Y. 2021-22	F.Y. 2020-21
Revenue from Operations	3450	950
Other Revenues	150	-
<b>Total Revenue received (A)</b>	<b>3600</b>	<b>950</b>
Less: Total expenses	3543	918
<b>Profit / (Loss) before Tax (A-B)</b>	<b>67</b>	<b>32</b>
Less: Current Tax	30	-
Previous Year Tax	3	-
<b>Profit / (Loss) after Tax</b>	<b>39</b>	<b>32</b>

### REVIEW OF PERFORMANCE

During the Year 2021-22, the Company has earned total income of Rs. 3,600 Thousands from its business activities. The total expense for the year stands at Rs. 3,543 Thousands. The Company has earned profit of Rs. 39 Thousands in the Financial Year 2021-2022 as compared to Rs. 32 Thousands in the Previous Year 2020-2021.

The Board of Directors has started operations of the Company in the current Financial Year 2021-2022. The Board is continuously making efforts to expand the operations of the Company which can benefit to the Company and its stakeholders as well.

### DIVIDEND & RESERVES

In view of the inadequate profit made during the year, your Directors does not recommend any dividend for the year 2021-2022 (previous year Nil).

Further no amount has been transferred to any reserves. All the amount of profit incurred is carried forward to the Profit and Loss Account.

## CHANGE IN NATURE OF BUSINESS

During the year under review, there is no change in the Nature of business activities carried out by the Company.

## CHANGES TO SHARE CAPITAL

At present the Authorized Share Capital of the Company stands at Rs. 18,00,00,000 divided into 18000000 Equity Shares of Rs. 10 each and the Paid-up Share Capital stands at Rs. 1,49,90,000 divided into 1499000 Equity Shares of Rs. 10 each. There has been no change in the share capital during the period ended 31st March, 2022.

## DETAIL OF SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES

Currently the company does not have any subsidiaries or Joint Ventures or Associates.

## PUBLIC DEPOSITS

The Company has not accepted any deposits from Shareholders and Public falling within the ambit of Section 73 of the Companies Act, 2013 and rules made there under. There were no deposits, which were claimed and remained unpaid by the Company as on 31<sup>st</sup> March, 2022.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Constitution of Board

During the Financial Year 2021-2022, the Board of the Company comprised of Four Directors, out of which two were Promoter Directors and two were non-promoter Independent Directors. The Directors comprised by the Board of the Company as on the date of this Report is as follows:

Name of Director	Category Cum Designation	Date of Appointment at current term	Total Directorship	No. of Committee <sup>^</sup> in which Director is Member	in which Director is Chairman	No. of Shares held as on 30 <sup>th</sup> June, 2022
Mr. Bharvin Patel	Chairman and Managing Director (Promoter)	April 30, 2010	5	2	-	9,29,876 Equity Shares
Mrs. Shetna Patel	Non-Executive Director (Promoter)	March 31, 2015	3	2	-	-
Mr. Saurin Shah	Independent Director	March 31, 2015	1	-	3	-
Mr. Chetan Gandhi	Independent Director	January 31, 2017	3	2	-	-

<sup>^</sup>Committee includes Audit Committee, Nomination Remuneration Committee and Stakeholders Relationship Committee across all Public Companies and details as on 31<sup>st</sup> March, 2022.

The composition of Board complies with the requirements of the Companies Act, 2013. Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Company is exempted from requirement of having composition of Board as per Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

None of the Director of the Company is serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Companies. None of the Director of the Company is holding position as Independent Director in more than 7 Listed Companies. Further, none of the Directors of the Company is disqualified for being appointed as a Director pursuant to Section 164 (2) of the Companies Act, 2013.

#### **BOARD MEETING**

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly results of the Company. Additional Board meetings are convened to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at the corporate office of the Company situated in the State of Gujarat.

During the year under review, Board of Directors of the Company met 6 (Six) times viz; 26<sup>th</sup> May, 2021, 29<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 06<sup>th</sup> September, 2021, 13<sup>th</sup> November, 2021, 12<sup>th</sup> February, 2022.

<b>Name of Director</b>	<b>Mr. Bharvin Patel</b>	<b>Mrs. Shetna Patel</b>	<b>Mr. Saurin Shah</b>	<b>Mr. Chetan Gandhi</b>
<b>Number of Board Meeting held</b>	6	6	6	6
<b>Number of Board Meetings Eligible to attend</b>	6	6	6	6
<b>Number of Board Meeting attended</b>	6	6	6	6
<b>Presence at the previous AGM</b>	Yes	Yes	Yes	Yes

#### **BOARD DIVERSITY**

The Company recognizes and embraces the importance of a diverse board in its success. The Company believes that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage.

#### **CHANGES IN DIRECTORS**

During Financial Year 2021-2022, no director was appointed.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act 2013, Ms. Shetna Bharvin Patel, Director of the Company, retires by rotation at the ensuing Annual General Meeting. She, being eligible, offers herself for re-appointment as such. The Board of Directors recommends her appointment on the Board.

## INDEPENDENT DIRECTORS

In terms of Section 149 of the Companies Act, 2013 and rules made there under, as on date of this report, the Company has two Non-Promoter Independent Directors in line with the Companies Act, 2013. A separate meeting of Independent Directors was held on 12<sup>th</sup> February, 2022 to review the performance of Non-Independent Directors and Board as whole and of the chairman and assess the quality, quantity and timeliness of flow of information between Company Management and Board. The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at [www.avivaindustries.com](http://www.avivaindustries.com).

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013. Further, both the Independent Directors have registered themselves in the Independent Directors' Data Bank.

### Independent Directors' Declaration:

The Independent Directors have given declarations that they meet the criteria of independence as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the year from 01.04.2021 to 31.03.2022 the Separate Meeting of Independent Directors met as on 12<sup>th</sup> February, 2022.

The Board of Director declares that the Independent Directors in the opinion of the Board are:

- a. Persons of integrity and they possess relevant expertise and experience;
- b. Not a promoter of the Company or its holding, subsidiary or associate company;
- c. Have/had no pecuniary relationship with the company, its holding, subsidiary or associate company or promoter or directors of the said companies during the two immediately preceding financial year or during the current financial year;
- d. None of their relatives have or had pecuniary relationship or transactions with the company, its holding, subsidiary or associate company or promoter or directors of the said companies amounting to two percent or more of its gross turnover or total income or fifty lakh rupees whichever is lower during the two immediately preceding financial years or during the current financial year.
- e. who, neither himself nor any of his relatives—
  - i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
    - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - b. Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

- iii. Holds together with his relatives two percent or more of the total voting power of the company; or is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent. or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or Possess such other qualifications as prescribed in Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

#### **Familiarization Programme for Independent Directors:**

In compliance with the requirements of Listing Regulations, the Company has put in place a Familiarization Programme for Independent Directors to familiarize them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the company operates, business model etc. along with updating on various amendments in the Listing Regulations and the Companies Act, 2013. The policy on Familiarization Programme is uploaded on the website of the Company and can be accessed through web link <http://avivaindustries.com/investor.html>

#### **Performance 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.

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the performance of chairman was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

#### **Evaluation by Independent Director**

In a separate meeting of Independent Directors held on 12th February, 2022, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

#### **DETAILS OF KEY MANAGERIAL PERSONNEL**

During the year under review, Mr. Harshil Joshi was appointed by the Board of the Directors w.e.f. 26<sup>th</sup> May, 2021 as the Company Secretary and Compliance Officer of the Company. He tendered his resignation from the said post w.e.f. March 18, 2022. Keeping the said fact in view, the Board appointed



Ms. Khushbu Garg as a Company Secretary and Compliance Officer of the Company w.e.f. 06<sup>th</sup> August, 2022.

In accordance with Section 203 of the Companies Act, 2013, the Company has Mr. Bharvin Patel as Chairman and Managing Director and Ms. Khushbu Garg as Company Secretary and Compliance Officer.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended 31<sup>st</sup> March, 2022 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **COMMITTEES OF BOARD**

Your Company has constituted several Committees in compliance with the requirements of the relevant provisions of applicable laws and statutes, details of which are given hereunder.

##### **1. Audit Committee**

Audit Committee meeting is generally held once in quarter for the purpose of recommending the quarterly/half yearly/ yearly financial results. The Audit Committee met five times during the financial year 2021-2022 viz; 29<sup>th</sup> June, 2021, 13<sup>th</sup> August 2021, 06<sup>th</sup> September, 2021, 13<sup>th</sup> November 2021, 12<sup>th</sup> February, 2022..

The composition of the Committee and the details of meetings attended by its members are given below:

<b>Name of Director</b>	<b>Category</b>	<b>Designation</b>	<b>Committee meeting attended in the F.Y. 2021-2022</b>
Mr. Saurin Shah*	Non-Executive Independent Director	Chairman	5
Mr. Chetan Gandhi	Non-Executive Independent Director	Member	5
Mr. Bharvin Patel	Executive Non-Independent Director	Member	5

Mr. Saurin Shah, the Chairman of the Committee had attended last Annual General Meeting of the Company held on 30<sup>th</sup> September, 2021.

Further, Company Secretary of the Company act as a secretary of the committee. Recommendations of Audit Committee, wherever and whenever given, have been accepted by the Board.

*\* Mr. Saurin Shah had resigned as Non-Executive Independent Director w.e.f 29<sup>th</sup> April, 2022.*

### **Vigil Mechanism**

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

### **2. Nomination and Remuneration Committee**

The Company has formed Nomination and Remuneration committee in line with the provisions Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the person who is qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. During the year under review, one meeting was held on 26<sup>th</sup> May, 2021 inter alia, to recommend the appointment of Mr. Harshil Joshi as Company Secretary of the company and to review the performance of Directors of the Company.

The composition of the Committee and the details of meetings attended by its members are given below:

<b>Name of Director</b>	<b>Category</b>	<b>Designation</b>	<b>Committee meeting attended in the F.Y. 2021-2022</b>
Mr. Saurin Shah	Non-Executive Independent Director	Chairman	1
Mr. Chetan Gandhi	Non-Executive Independent Director	Member	1
Mrs. Shetna Patel	Non-Executive Director	Member	1

*\* Mr. Saurin Shah had resigned as Non-Executive Independent Director w.e.f 29<sup>th</sup> April, 2022.*

### **Nomination and Remuneration Policy**

The Company has, in order to attract motivated and retained manpower in competitive market and to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 devised a policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management. Key points of the Policy are:

#### **A. Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel**

- The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and Senior Management personnel and recommend to the Board for his / her appointment.

- A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.
- In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

#### **B. Policy on remuneration of Director, key managerial personnel and senior management personnel**

The Company remuneration policy is driven by the success and performance of the Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company philosophy is to align them and provide adequate compensation with the Objective of the Company so that the compensation is used as a strategic tool that helps us to attract, retain and motivate highly talented individuals who are committed to the core value of the Company.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at [www.avivaindustries.com](http://www.avivaindustries.com).

### **3. Stakeholders Relationship Committee.**

The Company has constituted Stakeholders Relationship Committee mainly to focus on the redressal of Shareholders / Investors Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. During the year under review, Stakeholders Relationship Committee met once during the financial year 2021-2022 on 12<sup>th</sup> February, 2022. And the details of meetings attended by its members are given below:

<b>Name of Director</b>	<b>Category</b>	<b>Designation</b>	<b>Committee meeting attended in F.Y. 2020-2021</b>
Mr. Saurin Shah	Non-Executive Independent Director	Chairman	1
Mr. Bharvin Patel	Chairman and Managing Director	Member	1
Mrs. Shetna Patel	Non-Executive Non-Independent Director	Member	1

*\* Mr. Saurin Shah had resigned as Non-Executive Independent Director w.e.f 29<sup>th</sup> April, 2022.*

### **RISK MANAGEMENT**

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

### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company had one woman Director. Further there were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All Transactions/Contracts/Arrangements entered into by the Company with Related Party (ies) as provided under the provisions of Section 2 (76) of the Companies Act, 2013, during the Financial Year under review were in ordinary course of business and on an Arm's Length Basis.

Further, none of these Contracts / Arrangements / Transactions with Related Parties could be considered material in nature as per the thresholds given in Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and hence no disclosure is required to be given in this regard. The details are disclosed in Form AOC-2 which is annexed as "Annexure-I", which forms part of this Report.

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

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year of the Company and the date of this report.

#### **PARTICULARS OF THE EMPLOYEES**

The ratio of the remuneration of each whole-time director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure – II**.

#### **INTERNAL FINANCIAL CONTROL**

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

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with the operating systems, accounting procedures and policies of the Company. Based on the report of Internal Auditor, the process owners undertake the corrective action in their respective areas and thereby strengthen the Control. Significant audit observation and corrective actions thereon are presented to the Audit Committee of the Board. However, during the year, no significant audit observation was found.

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

##### **A. Conservation of Energy –**

- i.) The steps taken or impact on conservation of energy: None
- ii.) The steps taken by the Company for utilizing alternate sources of energy: None
- iii.) The capital investment on energy conservation equipment: None

##### **B. Technology Absorption –**

- i.) The effort made towards technology absorption: None
- ii.) The benefit derived like product improvement, cost reduction, product development or import substitution: None
- iii.) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -
  - a. The details of technology imported: None
  - b. The year of import: None
  - c. Whether the technology has been fully absorbed: None

- d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:  
None

iv.) The expenditure incurred on Research and Development: None

**C. Foreign Exchange Earnings & Expenditure:**

- i.) Details of Foreign Exchange Earnings: Nil  
ii.) Details of Foreign Exchange Expenditure: Nil

**STATUTORY AUDITORS**

As per the said requirements of the Act, M/s. P Singhvi & Associates., Chartered Accountants (Firm Registration No. 113602W), is proposed to be appointed as Statutory Auditors of the company, for a period of 5 years, commencing from the conclusion of 37th AGM till the conclusion of the 42nd AGM of the Company to be held in year 2026.

**SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Yash Mehta, (COP No. 16535), Ahmedabad, to undertake the Secretarial Audit of the Company for the financial year 2021-2022. The Secretarial Audit Report is annexed herewith as **Annexure – III**.

**PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading pursuant to new SEBI (Prohibition & Insider Trading) Regulation 2015 in place of SEBI (Prohibition & Insider Trading) Regulation 1992 with a view to regulate 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 Company shares 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.

**REPORTING OF FRAUD**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

**INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS**

Your Company had adopted Ind AS with effect from April 1, 2017 pursuant to Ministry of Corporate Affairs notification dated February 16, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. Your Company has provided Ind AS Financials for the year ended March 31, 2022 along with comparable as on March 31, 2022.

**COMPLIANCE WITH THE PROVISIONS OF SS 1 AND SS 2**

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

**INSURANCE**

The Company takes a very pragmatic approach towards insurance. Adequate cover has been taken for all movable and immovable assets for various types of risks.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your attention is drawn to the perception and business outlook of your management for your company for current year and for the industry in which it operates including its position and perceived trends in near future. The Management Discussion and Analysis Report as stipulated under Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is attached and forms part of this Directors Report.

## CORPORATE GOVERNANCE

Your Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance, although few of the information are provided in this report of Directors under relevant heading.

## GENERAL DISCLOSURE

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions occur on these items during the year under review;

- (i) Details relating to deposits covered under Chapter V of the Act;
- (ii) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- (iv) Annual Report and other compliances on Corporate Social Responsibility;
- (v) There is no revision in the Board Report or Financial Statement;
- (vi) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future;
- (vii) Information on subsidiary, associate and joint venture companies.

## APPRECIATION

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

## ACKNOWLEDGMENT

Your company & Directors wish to place on record their appreciation of the assistance and co-operation extended by Investors, Bankers, Business Associates, and Government. We are deeply grateful to shareholders for their continued faith, confidence and support to the company.

**For, Aviva Industries Limited**

**Date:** September 06, 2022

**Place:** Ahmedabad

**Sd/-  
Bharvin Patel  
Chairman and Managing Director  
DIN: 01962391**

**Annexure - II**

**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 for the year ended 31st March, 2022.

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

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

<b>Sr. No</b>	<b>Name(s) of the related party</b>	<b>Nature of relationship</b>	<b>Nature of contracts/arrangements /transaction</b>	<b>Amount (Rs.)(In thousands)</b>
<b>1</b>	Bharvin S Patel	Key Managerial Personnel	Remuneration	108
<b>2</b>	Bharvin S Patel	Key Managerial Personnel	Loans Taken	7939
<b>3</b>	Dubond India Private Limited	Entities in which KMP has Significant Influence	Loans Advanced	27744
<b>4</b>	Dubond India Private Limited	Entities in which KMP has Significant Influence	Trade Receivables	131

Annexure - II

**PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules made there under

**A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

**a) The ratio of remuneration of each director to the median remuneration of employees for the financial year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Sr. No.	Name	Designation	Nature of Payment	Ratio against median employee's remuneration	Percentage Increase
1.	Mr. Bharvin Patel	Chairman and Managing Director	Remuneration	5:3	-

\* Ratio against median employee's remuneration in respect of Non-Executive Directors are not provided since they are not being paid any remuneration for serving the Company in capacity of Non-Executive Directors.

**b) The percentage increase in the median remuneration of employees in the financial year:**

There was no change in the median remuneration of the employees in current financial year over the previous financial year.

**c) The number of permanent employees on the rolls of the Company:** The Company do not have any Employee as on March 31, 2022.

**d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

No change was made in salary payable to employees.

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

For, Aviva Industries Limited

Sd/-

Bharvin Patel

Chairman and Managing Director

DIN: 01962391

Date: September 06, 2022

Place: Ahmedabad



**Annexure – II**

**SECRETARIAL AUDIT REPORT**

**Form No. MR-3**

For the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**AVIVA INDUSTRIES LIMITED**  
CIN: L51100MH1984PLC034190  
4<sup>th</sup> Floor, Jaya Talkies, S. V. Road,  
Opp. Indraprastha, Borivali (W),  
Mumbai, Maharashtra- 400092

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AVIVA INDUSTRIES LIMITED** ("Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 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:

**Auditor's Responsibility**

Auditor's responsibility to express an opinion on the compliance with the applicable laws and maintenance of records based on the audit.

The audit was conducted in accordance with applicable Standards and we have complied with statutory and regulatory requirements and the Audit was planned and performed to obtain reasonable assurance about compliance with applicable laws and maintenance of Records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;

Based on the examination, we report the following instance of Non Compliance of the Company:

- a) The Company has not appointed Chief Financial Officer ("CFO") as required under Section 203 of the Companies Act, 2013 ("Act") and rules made thereunder during the*

*year under review and the financials of the Company were not signed by the CFO as required under the Section 134 of the Act.*

- b) The Company has not appointed qualified Company Secretary as per the requirement of Section 203 of the Act as on 31.03.2022, after Mr. Harshil Joshi resigned as Company Secretary of the Company w.e.f. 18.03.2022. However Ms. Khusbu Garg was appointed as Company Secretary w.e.f. 06.08.2022.**
- c) The Regional Director vide its notice dated May 25, 2016 has initiated proceeding of Inspection under Section 206 of the Companies Act, 2013.**
- d) The Company has not complied with the provisions of Section 185 of the Act for advancing a loan of Rs. 1,97,44,000.00 to Dubond Products India Private Limited in which Mr. Bharvin Patel, Managing Director of the Company is interested, without the Consent of Board and Members of the Company.**
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under However, there were no instances of Foreign Direct Investment, Overseas Direct Investment or External Commercial Borrowing during the year under review;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

Mr. Bharvin Patel, Promoter of the Company has acquired the 49,015 (3.27%) Shares acquired through Open Market on 28.12.2021 and Disclosure as per Regulation 29(2) has been made to the Stock Exchange on 30.12.2021.

Sr. No.	Name of Acquirer	Pre-Shareholding	No. of Share Acquired	Post Shareholding	% of Change
1	Bharvin Patel	9,29,876	49,015	9,78,891	3.27%

- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;

The Company has not complied with the provision of the Regulations for the following instances;

- 1. The Company has paid the listing fees to the Bombay Stock Exchange ("BSE") on 10.11.2021 with delay of 193 days.**

**2. The Company has not complied with certain clauses of erstwhile Listing Agreement entered into by the Company within due course of time with BSE Limited for which BSE Limited vide its E-mail dated July 18, 2016 imposed a penalty on company which is yet pending for payment to the exchange;**

- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; No such instances found which requires compliance under said regulations during the audit period.
- (f) The Securities and Exchange Board of India (Buy Back of Securities) Regulations 2018; No such instances found which requires compliance under said regulations during the audit period.
- (g) Rules, Regulations, Circulars, Orders, Notifications and Directives issued under the above statute to the extent applicable.

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

- (i) Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

***The Company has not complied with the Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) in letter and spirit during the year under review.***

**We further report that** the Board of Directors of the Company is duly constituted ***except appointment of the KMPs***. The changes in the composition of the Board that took place during the year under review were carried out in compliance of the provisions of Act.

Decisions at the meetings of Board of Directors / Committees of the Company were carried through on the basis of majority. We were informed that there were no dissenting views by any members of Board / Committee in the meetings held during the year under review that were required to be captured and recorded as part of minutes.

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

There were no other instances of:

- a) Public issue / Right issue of Shares / Debentures / Sweat Equity etc.
- b) Redemption of Securities.
- c) Merger / amalgamation / Reconstruction etc.
- d) Foreign Technical Collaboration.

**FOR YASH MEHTA & ASSOCIATES  
COMPANY SECRETARIES**

Sd/-

**YASH MEHTA PROPRIETOR**

**FCS: 12143**

**COP: 16535**

**PEER REVIEW NUMBER: 1269/2021**

**UDIN: F012143D001028268**

**Date: September 23, 2022**

**Place: Ahmedabad**

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.

## Certificate by Company Secretary

To,  
The Members,

### **AVIVA INDUSTRIES LIMITED**

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

1. Maintenance of Secretarial records 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 responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR YASH MEHTA & ASSOCIATES  
COMPANY SECRETARIES**

Sd/-

**Yash Mehta**

**Practicing Company Secretary**

**ACS No.: F12143**

**C P No.: 16535**

**PEER REVIEW NUMBER: 1269/2021**

**UDIN: F012143D001028268**

**Date:** September 06, 2022

**Place:** Ahmedabad

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company has its business of trading and Manufacturing of Glass and Glass Mosaic Products and Construction Chemicals from the trading of textiles.

The Glass Mosaic industry has been rapidly growing with the increase in the Infrastructure developments in the Country. The Governments focus to improve infrastructure and to develop the smart cities may lead to the decent rise in the Business of the Industry.

The retail boom in the Indian economy has also influenced the demand for higher end products. Overall the bullish growth estimates in the Indian economy has significantly influenced the growth of the Indian Glass mosaic industry. The industry also enjoys the unique distinction of being highly indigenous with an abundance of raw materials, technical skills, infrastructural facilities despite being fairly capital intensive.

### OPPORTUNITIES

With the change in the segment of Company's Activities, following are the Opportunities for the Company.

- Growing Industry
- Global markets
- New Acquisitions
- Income level is at a constant increase

### THREATS

**Economic uncertainty:** Based on the current and future market environment, the demand can be volatile. After the spread and controlling of the COVID – 19 pandemic, the economy is all the more prepared for another such event, if it were to happen again. With the current rise in inflation may lead to uncertainties in manufacturing of Glass and Glass Mosaic Products and Construction Chemicals.

**Competitive activity:** Competition in the Glass Mosaic Market is intense and competitive activity is likely to remain high in the foreseeable future.

### SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

During the F.Y 2021-22, the Company has carried out minimal activities during the year, so evaluation of performance does not arise. The segment wise performance, if any of the Company will be evaluated once the Company grow its business activities ahead.

### OUTLOOK

Looking forward to the change and beginning of new activities to the other segment, management is very much positive about the future Business of the Company. The concerned Industry is the rising Industry in the Domestic as well as Global market. The Board strives to sustain in the market in the initial period of its operations.

### RISKS & CONCERNS

Since the Company is not much operational the risk factors had not been much analyzed. Looking to the Industry the following risk factors may affect the Company.

- Regulations affecting the Indian capital market.
- Competition activities.
- Overall Economic scenario and capital market trends.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains an adequate and effective Internal Control System, equivalent with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that

transactions are executed with management authorization. It also ensures that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles, along with the assets of the Company being adequately safeguarded against significant misuse or loss. This is supplemented through an extensive internal audit programme and periodic review by the management and the Audit Committee.

#### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the Financial Year 2021-22, the Company was operative. Further, the financial performance of the Company for the year 2021-22 is already given in the Board's Report.

#### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS**

The Company being less operational in the financial year 2020-2021, there were no developments in Human Resources and in Industrial Relations. In the Current financial year 2021-22, the Company is planning to grow its business and accordingly Company will be simultaneously developing positive relations in Human Resources and Industrial Relations.

#### **CAUTIONARY STATEMENT**

This report contains statements that may be "forward looking" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Company's future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Company undertakes no obligation to publicly revise any forward looking statements to reflect future/likely events or circumstances.

## DECLARATION

To,  
The Members,  
Aviva Industries Limited  
4th Floor, Jaya Talkies,  
S. V. Road, Opp. Indraprastha,  
Borivalli (W). Mumbai – 400092.

I, Bharvin S. Patel, Chairman and Managing Director of the Company, do hereby declare that all members of the Board of Directors (Including Independent Directors) and Senior Management Personnel of the Company have affirmed to exercise their authorities and powers and discharged their duties and functions in accordance with the requirement of the Code of Conduct as prescribed by the Company and have adhere to the provisions of the same, for the financial year ended on 31st March, 2022.

**For, Aviva Industries Limited**

**Sd/-**

**Bharvin S. Patel**  
**Chairman and Managing Director**  
**DIN: 01962391**

**Date: September 06, 2022**  
**Place: Mumbai**

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members  
Aviva Industries Limited  
Ahmedabad

**Report on the Audit of the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Standalone Ind AS financial statements of **AVIVA INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and loss, Statement of Changes in Equity, Statement of the Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (here in after referred to as "Standalone Ind AS Financial Statement")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statement give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit including other comprehensive income and Cash Flow for the year ended on that date.

**Key Audit Matters**

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

**Basis for Opinion**

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





112, UNIVERSITY PLAZA, VIJAY CHAR RASTA, NAVRANGPURA, AHMEDABAD - 380009 ☎ TELEFAX:(O) 27913933, (R) 29707933 Mob.: 94-261-79643

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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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.

**Responsibilities of Management and Those Charged with Governance 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 Ind AS Financial Statement that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Ind AS 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 Standalone Ind AS 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, the Board of Directors responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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



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- 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**

1. As required by the Companies (Auditor's Report) Order, 2020 ("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" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid Standalone Ind AS Financial Statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015 as amended ("Ind AS").
- (e) On the basis of written representation received from directors as on March 31, 2022 taken on the record by the Board of Directors, none of the directors



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is disqualified as on March 31, 2022 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".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is as per the provisions of 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has no pending Litigations during the Year.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  -

(1) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or In any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(2) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(3) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and



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**P SINGHVI & ASSOCIATES**

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(ii) contain any material mis-statement.

(v) No dividend declared or paid during the year by the Company in compliance with section 123 of the Companies Act, 2013.

FOR P SINGHVI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN 113602W

PLACE: AHMEDABAD  
DATED: 30<sup>TH</sup> MAY ,2022

*Hema Subhnan*

(HEMA SUBHNANI)

PARTNER

M. NO. 411888

UDIN:22411888ANUAFO9693



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Annexure "A" referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of AVIVA INDUSTRIES LTD for the year ended 31<sup>st</sup> March, 2022

**1. Maintaining records of Property, Plant, Equipment and intangible Assets**

- (a) The Company has no Property, Plant and Equipment therefore this Clause is not applicable.
- (b) The Company has no Intangible Assets so this Clause is not applicable;
- (c) As the Company has no Property, Plant, Equipment and Intangible Assets therefore clause (c) to (e) are not Applicable to the company.
- (d) There is no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions ( Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**2. Physical Verification of Inventories**

- (a) The Management has conducted physical verification of inventory at reasonable intervals during the Year. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business. No discrepancies on physical verification of inventories were noticed. No there is no Discrepancy is 10% or more in the aggregate for each class of inventory.
- (b) During any point of time of the year the Company has not been sanctioned working capital limits in excess of Rs. 5.00 Crore , in aggregate , from the banks or financial institutions on the basis of security of current assets , therefore the clause is not applicable to the Company.

**3 Loans and advances given, investments made and guarantee given**

During the year the Company has not provided any guarantee or security secured or unsecured, companies, firms, Limited Liability Partnerships or any other parties. During the year the company has not made investments in its subsidiaries, or granted loans or advances in the nature of loans, secured or unsecured, to firms, Limited Liability Partnerships or any other parties. During the year the Company has granted loans to the Company in which director of the Company are interested.

- a) The company has provided loans or provided advances in the nature of loans or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate
  - (A) the aggregate amount during the year is Rs. NIL, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates is Rs. NIL
  - (B) the aggregate amount during the year to Company in which director's are interested to Rs. 8518641.00 , and balance outstanding at the balance sheet date with respect to such loans or advances aggregating to Rs. 19743641.00 to parties other than subsidiaries, joint ventures and associates;



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- b) Loans and advances to Company in which director are interested of Rs. 8518641.00 and the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the company's interest;
- c) in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;
- d) There is no amount overdue as on 31<sup>st</sup> March, 2022.
- e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
- f) The company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

#### **4. Compliance of Section 185 & 186**

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.

#### **5. Acceptance of deposits**

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

#### **6. Cost Record**

The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Companies Act, 2013 therefore the clause is not applicable.

#### **7. Statutory dues**

- (a) The Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income - tax, sales tax, service tax, excise duty, Value Added Tax, GST and other material statutory dues applicable to it.
- (b) According to the information and explanation given to us there are no disputed amounts payable in respect of income tax, sales tax, service tax, duty of excise, value added tax, GST, cess.

#### **8. Disclosure of transactions not recorded in the books**

In our opinion and according to the information and explanations given to us there no transactions that are not in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

#### **9. Default in repayment of loans or other borrowing**



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- (a) According to explanation given to us Company has not in default in repayment of taken loans and borrowings.
- (b) According to explanation given to us the company has not declared wilful defaulter by any bank or financial institution or other lender
- (c) According to explanation given to us term loans were applied for the purpose for which the loans were obtained.
- (d) According to explanation given to us funds raised on short term basis have not been utilized for long term purposes.
- (e) According to explanation given to us the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to explanation given to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

**10. Moneys raised by IPO, FPO & preferential allotment/private placement of shares or convertible debentures**

- (a) In our opinion and according to the information and explanations given to us, during the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

**11. Fraud reporting**

- (a) According to the information and explanations given to us, no fraud by the Company or on the Company by any of its officers or employees has been noticed or reported during the year.
  - (i) According to the information and explanations given to us there is no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (b) According to the information and explanations given to us there is no whistle-blower complaints, received during the year by the company;

**12. Compliances by Nidhi Company**

The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the Order are not applicable.

**13. Compliance with section 177 and 188**

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards. The relevant disclosure as required by the applicable accounting standards has been made in Note No. 24 to the standalone Ind AS financial statements.





**14. Internal Audit System**

In our opinion and according to the information and explanations given to us the Company has no internal audit system commensurate with the size and nature of its business.

**15. Non-cash transactions with directors**

In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, clause (xv) of paragraph 3 of "the order" is not applicable to the Company.

**16. Registration with Reserve Bank of India**

(a) Company at present, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, clause (xvi) of paragraph 3 of "the order" is not applicable to the Company.

(b) In our opinion, considering the nature of operations of the Company the company has not conducted any Non-Banking Financial of Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934;

(c) In our opinion, considering the nature of operations of the Company the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India,

(d) In our opinion, considering the nature of operations of the Company the Group does not have more than one CIC as part of the Group

**17. Cash losses**

In our opinion and according to the information and explanations given to us the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

**18. Resignation of the statutory auditors during the year**

In our opinion and according to the information and explanations given to us there in has not been any resignation of the statutory auditors during the year.

**19. Capability of company of meeting its liabilities existing at the date of balance sheet**

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

**20. Transfer of amount remaining unspent under sub-section (5) of**



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**section 135 to Fund specified in Schedule VII**

In our opinion and according to the information and explanations given to us, provisions of section 135(5) is not applicable to the Company therefore the clause is not applicable.

**21. Reason to be stated for an unfavorable or qualified answer**

This being standalone financial statements the clause is not applicable.

FOR P SINGHVI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN 113602W

PLACE: AHMEDABAD  
DATED: 30<sup>TH</sup> MAY, 2022

*Hema Subhni*  
(HEMA SUBHNI)  
PARTNER  
M. NO. 411888  
UDIN:22411888ANUAFO9693



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**"Annexure B" to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of AVIVA INDUSTRIES LIMITED,**

**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 **AVIVA INDUSTRIES LIMITED** ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.



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The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind As financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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 Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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<sup>st</sup> March, 2022, 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.



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FOR P SINGHVI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN 113602W

PLACE: AHMEDABAD  
DATED: 30<sup>TH</sup> MAY, 2022

*Hema Subhnan*  
(HEMA SUBHNANI)

PARTNER

M. NO. 411888

UDIN:22411888ANUAFO9693



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**AVIVA INDUSTRIES LIMITED**  
(CIN: L51100MH1984PLC034190)  
Balance Sheet as at March 31, 2022

(Amount Rs. in thousand)

	Particulars	Note No.	As at March 31, 2022		As at March 31, 2021	
<b>I</b>	<b>ASSETS</b>					
	<b>Non-current assets</b>					
	(a) Property, Plant and Equipment		-		13,487	
	(b) Capital work-in-progress		-		-	
	(c) Investment Property		-		-	
	(d) Goodwill		-		-	
	(e) Other Intangible assets		-		-	
	(f) Intangible assets under development		-		-	
	(g) Biological Assets other than bearer plants		-		-	
	(h) Financial Assets					
	(i) Investments	2	16,871		8,379	
	(ii) Trade receivables		-		-	
	(iii) Loans	3	23,444		23,865	
	(iv) Others (to be specified)	4	1		1	
	(i) Deferred tax assets (net)		-	40,316	-	45,732
	<b>Total non current Assets</b>			<b>40,316</b>		<b>45,732</b>
<b>II</b>	<b>Current assets</b>					
	(a) Inventories				-	
	(b) Financial Assets					
	(i) Inventory	5	35		-	
	(ii) Trade receivables	6	430		1,477	
	(iii) Cash and cash equivalents	7	468		701	
	(iv) Bank Balances other than (iii) above		-		-	
	(v) Other current Financial assets	8	291	1,225	438	2,615
	<b>Total current Assets</b>			<b>1,225</b>		<b>2,615</b>
	<b>Total Assets</b>			<b>41,540</b>		<b>48,347</b>
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	<b>EQUITY</b>					
	(a) Equity Share capital	9	14,990		14,990	
	(b) Instruments entirely equity in nature		-		-	
	(c) Other Equity	10	16,509	31,499	29,433.44	44,423
	<b>Total Equity</b>			<b>31,499</b>		<b>44,423</b>
	<b>LIABILITIES</b>					
	<b>Non-current liabilities</b>					
	(a) Financial Liabilities					
	(i) Borrowings	11	7,939		1,898	
	(b) Provisions		-		-	
	(c) Deferred tax liabilities (Net)	12	92	8,031	3	1,901
	<b>Total non current liabilities</b>			<b>8,031</b>		<b>1,901</b>
<b>II</b>	<b>Current liabilities</b>					
	(a) Financial Liabilities					
	(i) Trade payables	13				
	Total outstanding dues of Micro Enterprises & Small Enterprises		-		-	
	Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises		41		1,206	
	(iii) Other financial liabilities	14	1,939		817	
	(b) Current Tax Liabilities (Net)	15	30	2,010	-	2,023
	<b>Total Current Liabilities</b>			<b>2,010</b>		<b>2,023</b>
	<b>Total Liabilities</b>			<b>10,041</b>		<b>3,923</b>
	<b>Total Equity and Liabilities</b>			<b>41,540</b>		<b>48,346.83</b>
	Corporate Information & Significant Accounting Policies	1				
	Other Notes on Financial Statements	24-27				

As per our report of even date attached

**FOR P.SINGHVI & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN 113602

*Hema Subhnanani*  
(HEMA SUBHNANI)  
PARTNER  
M. NO. 411888



UDIN: 22411888ANUAF09693  
PLACE: Ahmedabad  
DATED: 30th May, 2022

For & on behalf of the Board,  
AVIVA INDUSTRIES LIMITED

*B.S. Patel*  
Mr. Bharvin Patel  
Managing Director  
(DIN: 01962391)

*S. Shetna Patel*  
Mrs. Shetna Patel  
Director  
(DIN: 06642724)

*Chetan R Gandhi*  
Chetan R Gandhi  
Director  
DIN: 00821794



AVVA INDUSTRIES LIMITED

(CIN: L51100MH1984PLC034190)

Statement of Profit and Loss for the year ended March 31, 2022

(Amount Rs. in thousand)

	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I	Revenue from Operations	16	3,450	950
II	Other Income	17	150	-
V	<b>Total Income (I+II+IV)</b>		<b>3,600</b>	<b>950</b>
VI	<b>Expenses</b>			
	Cost of Material Consumed	18	2,484	-
	Purchases of Stock-in-Trade			-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	(35)	-
	Employee Benefits Expenses	20	447	362
	Finance Costs	21	21	36
	Other Expenses	22	617	519
	<b>Total Expense (VI)</b>		<b>3,534</b>	<b>918</b>
VII	Profit/(Loss) before Exceptional items and Tax (V- VI)		67	32
VIII	Exceptional Items		-	-
IX	Profit Before Tax (VII-VIII)		67	32
X	<b>Tax Expense:</b>			
	(a) Current Tax	15.1	(30)	-
	(b) Deferred Tax		-	-
	(c) Previous Year Tax	15.1	3	-
			(27)	-
XI	Profit for the Period from Continuing Operations (IX - X)		39	32
XII	Profit/(Loss) for the Period from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)		-	-
XV	Profit for the Period (XI + XIV)		39	32
XIV	<b>Other Comprehensive Income</b>			
	(A) (i) Items that will not be reclassified to profit or loss		616	-
	(ii) Income tax relating to items that will not be reclassified to profit and loss		(92)	-
	(B) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit and loss		-	-



XVI	Total Comprehensive Income for the period (XV+ XIV) (Comprising Profit/(loss) and other Comprehensive Income for the period)					32
XVII	Earnings Per Equity Share (For Continuing Operation) :	23			563	0.02 0.02
	(a) Basic (Rs.)				0.38	
	(b) Diluted (Rs.)				0.38	
XVIII	Earnings Per Equity Share (For Discontinuing Operation):				-	-
	(a) Basic (Rs.)				-	-
	(b) Diluted (Rs.)				-	-
XIX	Earnings Per Equity Share (For Continuing and Discontinuing Operation):	23			0.38	0.02 0.02
	(a) Basic (Rs.)				0.38	
	(b) Diluted (Rs.)				0.38	
	Corporate Information & Significant Accounting Policies Other Notes on Financial Statements	1	24-27			

As per our report of even date attached



FOR P SINGHVI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN 113602W  
Hema Subhani  
(HEMA SUBHANI)  
PARTNER  
M. NO. 411888  
UDIN: 22411888ANUJAF09693  
PLACI #REF!  
DATE: 30th May, 2022

For & on behalf of the Board

*(Signature)*  
Mr. Shailesh Patel  
Managing Director  
DIN: 01962391

*(Signature)*  
Mrs. Shetna Patel  
Director  
DIN: 06642724

*(Signature)*  
Chetan R Gandhi  
Director  
DIN: 00821794





**AVIVA INDUSTRIES LIMITED**

(CIN: L51100MH1984PLC034190)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Amount Rs. In Thousand)

Particulars	Year 2021-2022		Year 2020-2021	
	Rs.		Rs.	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Tax for the year	-	67		32
<b>Adjustments :</b>				
Operating Profit before Working Capital change	-	67		32
<b>Adjustments for :</b>				
Decrease/(Increase) in Receivables	1,047	-	109	
Decrease/(Increase) in Inventories	(35)	-	-	
Decrease/(Increase) in Short Term Loans & Advances	(7,579)	-	(750)	
Decrease/(Increase) in Other Current Assets	146	-	67	
Increase/(Decrease) in Payables	(1,165)	-	668	
Increase/(Decrease) in Other Financial Liabilities	117	-	15	
Increase/(Decrease) in Provisions	5	(7,465)	36	145
<b>Cash Generated From Operations</b>		(7,399)		177
Less Income Tax Paid		-		-
<b>NET CASH FROM OPERATING ACTIVITIES Total (A)</b>		(7,399)		177
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Fixed Asset Purchase/sale	-		-	
Interest Received				
<b>NET CASH USED IN INVESTING ACTIVITIES Total (B)</b>		-		-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Share Application Money				
Increase In Capital	-		-	
Long Term Borrowing	7,165		-	
Interest Received	-		-	
Long Term Loans & Advances	-		-	
<b>NET CASH FROM FINANCING ACTIVITIES Total (C)</b>		7,165		-
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)		(234)		177
Cash and Cash Equivalents -- Opening Balance		701		524
Cash and Cash Equivalents -- Closing Balance		467		701

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS -7, "Cash Flow Statement"
- Cash Comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3. Components of cash and cash equivalents are as under:-

Particulars	Year 2021-2022	Year 2020-2021
Balance with Banks in Current Account	2.24	72
Cash in hand	465.79	628
<b>Total</b>	<b>468.03</b>	<b>701</b>

4. Previous year figures have been regrouped, rearranged, recasted and reclassified wherever necessary to correspond them with current year classification/disclosure.

As per our separate report of even date attached.

**FOR P SINGHVI & ASSOCIATES**

CHARTERED ACCOUNTANTS

FRN 113602W

*Hema Subh*  
(HEMA SUBHANI)

PARTNER

M. NO. 411888

UDIN : 22411888ANUAF09693

PLACE: AHMEDABAD

DATE: 30TH MAY, 2022



For & on behalf of the Board

*Bharvin Patel*

Mr. Bharvin Patel  
Managing Director

DIN: 01962391

*Shetna Patel*

Mrs. Shetna Patel  
Director

DIN: 06642724

*Chetan R Gandhi*

Chetan R Gandhi  
Director

DIN: 00821794

**AVIVA INDUSTRIES LIMITED**  
Notes to financial statements for the year ended March 31, 2022

(Amount Rs. In thousands)

1000

**Note - 02 : Non-Current Assets: Financial Assets: Investments**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Investment in Equity Instruments measured at Fair Value Through OCI</b>		
i) of Subsidiary:	-	-
ii) of other entities:	-	-
<b>Investment in Quoted Equity Shares</b>		
738 Equity Shares of Gupta Synthetic Limited of Rs. 10/- each fully paid	5	5
2000 Equity Shares of Unipon India Limited of rs.10/- each fully paid	40	40
5000 Equity Shares of Shukla Data Techniques Limited of Rs.10/- each fully Paid	50	50
213655 Equity Shares Nova Petro Chemicals Limited of Rs.10/- each fully paid	-	134
<b>Investment in Unquoted Equity Shares</b>		
182500 Equity Shares of Dubond Products India Pvt Ltd of Rs 20/- fully paid	12,276	3,650
213655 Equity Shares Nova Petro Chemicals Limited of Rs.10/- each fully paid	-	-
<b>Investments in Preference Shares measured at cost</b>		
48000 6% redeemable non cumulative Preference Shares of Rs 100/- each fully paid of Gupta Synthetics Limited	4,500	4,500
	<b>16,871</b>	<b>6,379</b>

**Note -03 - Non Current Assets: Financial assets: Loan**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured, considered Good</b>		
<b>Current</b>	0	0
Loans and Advances to Employees & Others	0	0
Unsecured, considered good	3,700	4,640
Advances to Related Parties	-	-
Unsecured, considered good	19,744	19,225
<b>Total Current Loans</b>	<b>23,444</b>	<b>23,865</b>

**Note - 04 : Other Financial Assets**

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Non Current</b>		
Non Current		
Security & Other Deposits	1	1
Unsecured, considered good	-	-
<b>Total Other Financial Assets</b>	<b>1</b>	<b>1</b>

**Note -05: Current Assets: Inventory**

Particulars	As at 31st March 2022	As at 31st March 2021
Traded Goods	35	-
<b>Total Inventory</b>	<b>35</b>	<b>-</b>

**Note 06 - Trade Receivables**

Particulars	As at 31ST March 2022	As at 31ST March 2021
Traded Receivable Considered Good- Unsecured	430	1,477
Traded Receivable Considered Doubtful- Unsecured	-	-
Trade Receivable Credit Impaired	-	-
<b>Total Trade Receivable</b>	<b>430</b>	<b>1,477</b>

Particulars	As at 31st March, 2022				More Than 3 Years	Total
	Less Than 6 Months	6 Month - 1 Year	1- 2 Year	2-3 Years		
Undisputed Trade Receivables - Considered good	131	0	0	0	299	430
Undisputed Trade Receivables - which have significant increase in credit risk	0	0	0	0	0	0
Undisputed Trade Receivables - Credit Impaired	0	0	0	0	0	0
Disputed Trade Receivables - Considered Good	0	0	0	0	0	0
Disputed Trade Receivables - which have significant increase in credit risk	0	0	0	0	0	0
Disputed Trade Receivables - Credit Impaired	0	0	0	0	0	0
<b>Total Trade Receivables</b>	<b>131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>299</b>	<b>430</b>
Less: Loss Allowance	0	0	0	0	0	0
<b>Net Trade Receivables</b>	<b>131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>299</b>	<b>430</b>



As at 31st March, 2021						More Than 3 Years	Total
Particulars	Less Than 6 Months	6 Month - 1 Year	1- 2 Year	2-3 Years	299.01	1,476.66	
	Undisputed Trade Receivables - Considered good	1,171.00	0.00	4.20			2.45
Undisputed Trade Receivables - which have significant increase in credit risk	0	0	0	0	-	-	
Undisputed Trade Receivables - Credit Impaired	0	0	0	0	-	-	
Disputed Trade Receivables - Considered Good	0	0	0	0	-	-	
Disputed Trade Receivables - which have significant increase in credit risk	0	0	0	0	-	-	
Disputed Trade Receivables - Credit Impaired	0	0	0	0	-	-	
<b>Total Trade Receivables</b>	<b>1,171.00</b>	<b>0.00</b>	<b>4.20</b>	<b>2.45</b>	<b>299.01</b>	<b>1,476.66</b>	
Less: Loss Allowance	0	0	0	0	-	-	
<b>Net Trade Receivables</b>	<b>1,171.00</b>	<b>0.00</b>	<b>4.20</b>	<b>2.45</b>	<b>299.01</b>	<b>1,476.66</b>	

Note - 07 :Cash & Cash Equivalents			
Particulars	As At 31ST March 2022	As At 31ST March 2021	
Balance with bank Financial Institution		2	72
In Current Account		-	-
Cash in Hand		466	628
		0	0
<b>Total Cash &amp; Cash Equivalents</b>		<b>468</b>	<b>701</b>

Note - 08: Other Current Assets			
Particulars	As At 31ST March 2022	As At 31ST March 2021	
Balance with Revenue Authorities		291	438
<b>Total Other Current Assets</b>		<b>291</b>	<b>438</b>

Note - 09 : Equity Share Capital			
Particulars	As at March 31, 2022	As at March 31, 2021	
<b>Authorised :</b>			
1,80,00,000 Equity Shares (Previous Year 1,80,00,000) of Rs. 10/- each		180,000	180,000
<b>TOTAL</b>		<b>180,000</b>	<b>180,000</b>
<b>Issued, Subscribed and Paid-up :</b>			
14,99,000 Equity Shares (Previous Year 14,99,000) of Rs. 10/- each		14,990	14,990
<b>TOTAL</b>		<b>14,990</b>	<b>14,990</b>

- a) There are no movements / changes in authorised, issued, subscribed and fully paid up equity Share Capital.
- b) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.
1. The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended 31st March 2022, the Company has not declared any dividend.
2. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period			
Particulars	As at March 31, 2022	As at March 31, 2021	
No. of shares at the beginning of the year		1,499	1,499
Add: Issue of Shares during the year		-	-
Subscriber to the Memorandum		-	-
Private Placement		-	-
Less: Forfeiture of Shares during the Year		-	-
<b>No. of shares at the end of the year</b>		<b>1,499</b>	<b>1,499</b>

d) Details of shareholder(s) holding more than 5% Equity Shares in the company:			
Particulars	As at 31st March, 2022	As at 31st March, 2021	
Number of Equity Shares			
Bharvin S Patel	979	929	
% Holding in Equity Shares	65.30%	62.00%	

e) Disclosure of Shareholding of Promoters					
Promoter Name	As at 31 March 2022		As at 1 April 2021		% Change during the year
	No. of Shares	%of total shares	No. of Shares	%of total shares	
BHARVIN S PATEL	979	65.30%	929	62.00%	3.30%

Promoter Name	As at 31 March 2021		As at 1 April 2020		% Change during the year
	No. of Shares	%of total shares	No. of Shares	%of total shares	
BHARVIN S PATEL	929	37.50%	929	37.50%	0.00%

f) Detailed note on shares reserved to be issued under options and contracts / commitment for the sale of shares / divestments including the terms and conditions. The company does not have any such contract / commitment as on reporting date.

g) Detailed terms of any securities convertible into shares, e.g. in the case of convertible warrants, debentures, bonds etc. The company does not have any securities convertible into shares as on reporting date.



Note - 10 : Other Equity

PARTICULAR	As at 31ST MARCH 2022		As at 31ST MARCH 2021	
	GENERAL RESERVE OPENING BALANCE ADD Movement During the Year	0	0	0
<b>Total General Reserve</b>	<b>454</b>		<b>454</b>	
PARTICULAR	As at 31ST MARCH 2022		As at 31ST MARCH 2021	
	Retained Earning OPENING BALANCE ADD Profit During the Year Less Preoperative Expenses of earlier Years written off	28,979 39 (13,487)		28,947 32
<b>TOTAL</b>	<b>15,531</b>		<b>28,979</b>	

PARTICULAR	As at 31ST MARCH 2022		As at 31ST MARCH 2021	
	Other Comprehensive Income OPENING BALANCE ADD During the Year	-	-	-
<b>TOTAL</b>	<b>16,509</b>		<b>29,433</b>	

Note 11: Non Current Liabilities: Financial Liabilities : Borrowing

Particulars	As at March 31, 2022	As at March 31, 2021
Term Loan from others Secured Unsecured	-	1,124
Loans and advances from related parties Secured Unsecured	7,939	774
<b>TOTAL</b>	<b>7,939</b>	<b>1,898</b>

Loan repayment schedule

Sr. No	Particulars	REPAYABLE IN	
		12 MONTHS	2-4 YEARS
1	Bhavin S Patel	7939	0

Note - 12: DEFERRED TAX (ASSETS)/LIABILITY NET

DEFERRED TAX (ASSETS)/LIABILITY	Balance of DTL/DTA as on 01.04.2021	Recognized During the year through P&L	Recognized During the year through OCI	Balance of DTL/DTA as on 31.03.2022
On account of Valuation of investment	0	0	92	92
<b>TOTAL( ASSETS)/LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>92</b>	<b>92</b>

Note - 13: Current liabilities: Financial Liabilities : Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of Micro Enterprises & Small Enterprises	-	-
Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises	41	1,206
<b>TOTAL</b>	<b>41</b>	<b>1,206</b>

Trade Payable ageing schedule:

As at 31st March 2022

Particulars	OUTSTANDING FOR FOLLOWING PERIOD FROM DUE DATE OF PAYMENT			
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
(i) MSME				
(ii) Others	41			
(iii) Disputed dues - MSME				
(iv) Disputed dues -Others				
<b>TOTAL</b>	<b>41</b>			

Trade Payable ageing schedule:

As at 31st March 2021

Particulars	OUTSTANDING FOR FOLLOWING PERIOD FROM DUE DATE OF PAYMENT			
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years
(i) MSME				
(ii) Others	711	336	120	38
(iii) Disputed dues - MSME				
(iv) Disputed dues -Others				
<b>TOTAL</b>	<b>711</b>	<b>336</b>	<b>120</b>	<b>38</b>



Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
1. The principal amount outstanding as at the end of accounting Year.		
a) Trade Payables	-	-
b) Capital Creditors	-	-
2. Principal amount due and remaining unpaid as at the end of accounting year.		
3. Interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the	-	-
4. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the	-	-
5. Interest accrued and remaining unpaid at the end of accounting year (Refer Note below).	-	-
6. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the	-	-

Note - 14 : Current liabilities: Financial Liabilities : Others

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory Liabilities	446	441
Unpaid Expenses	493	376
Advance from Vendor	1,000	-
<b>TOTAL</b>	<b>1,939</b>	<b>817</b>

Note - 15 : Current tax liability

Particulars	As at 31st March 2022	As at 31st March 2021
Current Tax Liability	30	-
<b>TOTAL</b>	<b>30</b>	<b>-</b>

Note 15.1 Income Tax Expense	Year 2021-2022	Year 2020-2021
(a) recognised in Profit & Loss Account		
Current Tax	30	-
Previous Year Tax	(3)	-
Deferred Tax Liability /(assetss)	-	-
<b>Total</b>	<b>27</b>	<b>-</b>
(b) recognised in other comprehensive income		
Income tax relating to items that will not be reclassified to Profit & Loss Account	92	-
<b>Total</b>	<b>120</b>	<b>-</b>

(c) Income tax expenses for the year can be reconciled to the accounting Profit as follows

Particulars	As at 31st March 2022	As at 31st March 2021
Profit Before Tax	67	32
Tax Expense on Profit	17	-
Add Tax Effect of Disallowable Expenses	13	-
Add Previous Year Tax	(3)	-
<b>CURRENT TAX PROVISION (A)</b>	<b>27</b>	<b>-</b>
a) Incremental Deferred Tax provision on account of Tangible and Intangible Assets	-	-
b) Incremental Deferred Tax provision on account of Financial Assets and Other Items	92	-
<b>DEFERRED TAX PROVISION (B)</b>	<b>92</b>	<b>-</b>
<b>TAX EXPENSE RECOGNIZED IN PROFIT AND LOSS (A+B)</b>	<b>120</b>	<b>-</b>
<b>EFFECTIVE TAX RATE</b>	<b>179.85%</b>	<b>-</b>



## STATEMENT OF CHANGES IN EQUITY

AVIVA INDUSTRIES LIMITED

(CIN: L51100MH1984PLC034190)

Statement of Changes in Equity for the year ended 31st March, 2022

## A. Equity Share Capital

(Amounts Rs. in thousands)

As at 31.03.2022

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
14990	-	14990

As at 31.03.2021

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
14990	-	14990

## B. Other Equity

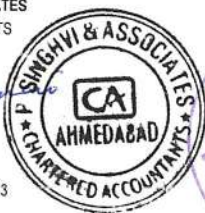
(Amounts in INR)

Particulars	Reserves and Surplus				Total
	General Reserve	OCI	Other Reserves (Surplus balance of Profit & loss Account)	Retained Earnings	
<b>Balance as at 1st April, 2021</b>					
Balance at the beginning of the reporting period	454	-	28,979	-	29,433
Less Pre Operative Expenses written off from Retained Earning			(13,487)		(13,487)
Profit During The year	-	-	39	-	39
Total Comprehensive Income for the year	-	524		-	524
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (Surplus)	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>454</b>	<b>524</b>	<b>15,531</b>	<b>-</b>	<b>16,509</b>
<b>Balance as at 1st April, 2020</b>					
Balance at the beginning of the reporting period	454	-	28,946.79	-	29,401
Changes in accounting policy or prior period errors	-	-	-	-	-
Profit during the Year	-	-	32.21	-	32
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Any other change (Surplus)	-	-	-	-	-
<b>Balance as at 31st March, 2021</b>	<b>454</b>	<b>-</b>	<b>28,979</b>	<b>-</b>	<b>29,433.44</b>

As per our report of even date attached

FOR P SINGHVI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN 113602W

Hema Subh  
(HEMA SUBHANI)  
PARTNER  
M. NO. 411888  
UDIN: 22411000ANUAF09893  
PLACE: AHMEDABAD  
DATED: 30TH MAY, 2022

For & on behalf of the Board,  
AVIVA INDUSTRIES LIMITED

Mr. Bharvin Patel  
Managing Director  
DIN: 01962391

Mrs. Shetna Patel  
Director  
DIN: 06642724

Chetan R Gandhi  
Director  
DIN: 00821794

AVIVA INDUSTRIES LIMITED

Notes to financial statements for the year ended March 31, 2022

Note - 16 : Revenue from operation

(Amount Rs. in thousand)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Products	3,450	950
<b>TOTAL</b>	<b>3,450</b>	<b>950</b>
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Sale of Products Comprises of Traded Goods	3,450	950
<b>TOTAL</b>	<b>3,450</b>	<b>950</b>

Note -17 :Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Miscellaneous Income	153	-
<b>TOTAL</b>	<b>153</b>	<b>-</b>

Note - 18 : Purchase of stock in trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchases	2,484	-
<b>TOTAL</b>	<b>2,484</b>	<b>-</b>

Note - 19 :Changes in inventories of finished goods, work in progress and stock in trade

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<u>Inventories at the end of the year:</u>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	35	-
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	-
<b>TOTAL</b>	<b>(35)</b>	<b>-</b>

Note 20 - Employee Benefit Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Director's remuneration	300	240
Salary	147	122
<b>TOTAL</b>	<b>447</b>	<b>362</b>



## Notes to financial statements for the year ended March 31, 2022

## Note 21- Financial Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Bank Charges	21	36
<b>TOTAL</b>	<b>21</b>	<b>36</b>

## Note 22 - Other Expenses

Particulars	For the year ended March 31,	For the year ended March 31,
Advertisement Expenses	55	78
Audit Fees	60	-
BSE Fees	371	378
Income Tax Expenses	-	4
Legal & Professional Fees	36	60
Other Expenses	95	-
<b>TOTAL</b>	<b>617</b>	<b>519</b>

## Note: 22.1 Payment to Auditors

## Auditor's Remuneration includes

(a) For Audits	60	-
(b) For Taxation Matters	-	-
(c) For Management Services	-	-
(d) For Other Services	-	-
	<b>60</b>	<b>-</b>

## Note 23 - Earnings Per Equity Share

Particulars	For the year ended March 31,	For the year ended March 31,
(a) Net profit after tax attributable to equity shareholders for Basic EPS	563	32
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	563	32
(b) Weighted average no. of equity shares outstanding during the year		
For Basic EPS	1,499	1,499
For Diluted EPS	1,499	1,499
(c) Face Value per Equity Share (Rs.)	10	10
For Continuing Operation		
Basic EPS (Rs.)	0.38	0.02
Diluted EPS (Rs.)	0.38	0.02
For Discontinuing Operation		
Basic EPS (Rs.)	-	-
Diluted EPS (Rs.)	-	-
For Continuing & Discontinuing Operation		
Basic EPS (Rs.)	0.38	0.02
Diluted EPS (Rs.)	0.38	0.02





**NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

**Note 24 RELATED PARTY DISCLOSURES**

(Amount Rs. In thousand)

(i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:

<b>S No.</b>	<b>Name of Related Party</b>	<b>Nature of Relationship</b>
1	Bharvin S Patel	Key Managerial Personnel (KMP)
2	Dubond India Pvt Ltd	

Related Parties where KMP/RKMP exercise significant influence

(ii) Transactions during the year with related parties :

The following table summarizes related party transactions and balances for the year ended/as at  
**31-Mar-22**

<b>Sr.NO.</b>	<b>Nature of Transactions</b>	<b>Key Managerial Personnel</b>	<b>Relative of Key Managerial Personnel</b>	<b>Entities in which KMP/RKMP have significant influence</b>
1	Sale of Goods	-	-	3,450
2	Purchase	-	-	-
3	Remuneration	300	-	-
4	Loan Received	7,375	-	4,600
5	Loan Paid	210	-	13,119

Note\* Company has given Loan to Dubond India Pvt Ltd Entity in which Director is Interested around 84% of total Loans and Advances given and which is repayable on Demand.

**Balance as at March 31, 2022**

Trade Receivable	-	-	131
Managerial Remuneration	108	-	-
Loans Taken	7,939	-	-
Loans Given	27,744	-	-

The following table summarizes related party transactions and balances for the year ended/as at March 31, 2021

<b>S.NO.</b>	<b>Nature of Transactions</b>	<b>Key Managerial Personnel</b>	<b>Relative of Key Managerial Personnel</b>	<b>Entities in which KMP/RKMP have significant influence</b>
1	Sale of Goods	-	-	950
2	Purchase	-	-	-
3	Remuneration	240	-	-
4	Loan received	-	-	200
5	Loan Paid	-	-	950

**Balance as at March 31, 2021**

Trade Receivable	-	-	1,178
Managerial Remuneration	600	-	-
Loans	-	-	19,225

Note\* Company has given Loan to Dubond India Pvt Ltd Entity in which Director is Interested around 80.56% of total Loans and Advances given and which is repayable on Demand.

(ii) Disclosure as required by Rule 16A of The Companies (Acceptance of Deposits) Rules ,2014

Particulars	Year 2021-2022	Year 2020-2021
Amount Received from		
Bharvin S Patel	2000	-



**AVIVA INDUSTRIES LIMITED**

**NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

**Note 26 FINANCIAL INSTRUMENTS, FAIR VALUE AND RISK MEASUREMENTS**

**A. Financial instruments by category and their fair value**

As at March 31, 2022	Carrying amount			Fair value				Total
	FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total	
<b>Financial assets</b>								
Investments- Non-Current	-	12,371	4,500	-	16,776	95	16,871	
Trade Receivables	-	-	430	-	430	-	430	
Loans- Current	-	-	-	-	-	-	-	
Cash and Cash Equivalents	-	-	468	-	468	-	468	
Other Bank Balances	-	-	-	-	-	-	-	
Other financial assets	-	-	23,445	-	23,445	-	23,445	
- Non-current	-	-	291	-	291	-	291	
- Current	-	-	-	-	-	-	-	
<b>Total financial assets</b>	-	<b>12,371</b>	<b>29,134</b>	<b>12,276,480</b>	<b>41,410</b>	<b>95</b>	<b>41,505</b>	<b>41,505</b>
<b>Financial liabilities</b>								
Long-term borrowings (including current maturities of long-term borrowings)	-	-	7939	0	7939	0	7939	
Short-term borrowings	-	-	0	0	0	0	0	
Trade Payables	-	-	41	0	41	0	41	
Other financial liabilities	-	-	0	0	0	0	0	
- Non-Current	-	-	1939	0	1939	0	1939	
- Current	-	-	-	0	-	0	-	
<b>Total financial liabilities</b>	-	-	<b>9919</b>	<b>0</b>	<b>9919</b>	<b>0</b>	<b>9919</b>	<b>9919</b>
<b>As at March 31, 2021</b>								
<b>Financial assets</b>								
Investments- Non-Current	-	8,150	229	-	8,150	229	8,379	
Trade Receivables	-	-	1,477	-	1,477	-	1,477	
Loans- Current	-	-	-	-	-	-	-	
Cash and Cash Equivalents	-	-	701	-	701	-	701	
Other Bank Balances	-	-	-	-	-	-	-	
Other financial assets	-	-	23,866	-	23,866	-	23,866	
- Non-current	-	-	438	-	438	-	438	
- Current	-	-	-	-	-	-	-	
<b>Total financial assets</b>	-	<b>8,150</b>	<b>26,709</b>	<b>-</b>	<b>34,631</b>	<b>229</b>	<b>34,859</b>	<b>34,859</b>
<b>Financial liabilities</b>								



Long-term borrowings (including current maturities of long-term borrowings)	-	1,898	-	1,898
Short-term borrowings	-	-	-	-
Trade Payables	-	1,206	-	1,206
Other financial liabilities	-	-	-	-
- Non-Current	-	-	-	-
- Current	-	817	-	817
<b>Total financial liabilities</b>	-	<b>3,920</b>	-	<b>3,920</b>

#### Fair value hierarchy

**Level I** - Quoted prices in active markets for identical assets or liabilities such as quoted price for an equity security on Security Exchanges.

**Level II** - Inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level III** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

#### NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

#### B. Financial risk management

The Company's activities expose it to variety of financial risks such as credit risk, liquidity risk, and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize

##### (i) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of credit risk on cash and cash equivalents is limited as the Company makes investment in deposits with banks only.

##### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 4,29,773 as at March 31, 2022, and 1,47,662 as at March 31, 2021, being the total of the carrying amount of trade receivables and loans & advances to employees.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor

In addition, exposure to credit risk is also in relation to financial guarantee contracts for which the company has created a liability for potential exposures.

The ageing of trade receivables as of Balance Sheet date is given below. The age analysis has been considered from the due date.

PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2021
NOT past due but impaired	-	-
Neither past due nor impaired	131	1,171
Past due not impaired	-	-
1-180 days	-	-
181-365 days	299	306
more than 365 days	-	-
Past due impaired	-	-
1-180 days	-	-
181-365 days	-	-
more than 365 days	-	-
<b>Total</b>	<b>430</b>	<b>1,477</b>

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the

##### (ii) Liquidity risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial commitments. The Company's principal sources of liquidity are cash and cash equivalents and other bank balances. The Company has taken loan from director amounting to Rs.79,99,000 to meet the cash flow commitments.

##### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at March 31, 2022	Carrying amount	Contractual cash flows		
		Total	Less than 12 months	More than 12 Months
<b>Non-derivative financial liabilities</b>				
Non-Current Borrowings	7,939	7,939	-	7,939
Other Non-Current Financial Liabilities	-	-	-	-
Current Borrowings	41	41	41	-
Current Trade Payables	1,939	1,939	1,939	-
Other Current Financial Liabilities	9,919	9,919	1,980	7,939
<b>Total</b>	<b>9,919</b>	<b>9,919</b>	<b>1,980</b>	<b>7,939</b>



As at March 31, 2021	Contractual cash flows		
	Carrying amount	Total	More than 12 Months
<b>Non-derivative financial liabilities</b>			
Non-current Borrowings	1,898	1,898	1,898
Other Non-Current Financial Liabilities	-	-	-
Current Borrowings	1,206	1,206	-
Current Trade Payables	376	376	-
Other Current Financial Liabilities	-	-	-
<b>Total</b>	<b>3,479</b>	<b>3,479</b>	<b>1,898</b>

**(b) Interest rate risk**

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses As at March 31, 2022 and 2021, financial liability of ₹ 7935 thousand, ₹ 1897 thousand respectively, was subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase) in case of profit/(loss) before tax of ₹ 79390 and ₹ 18975.56 on income for the year ended March 31, 2022 and 2021 respectively.

**Note 27 OTHER STATUTORY INFORMATION**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (ii) Basis the information available with the Company as on the reporting date and as on the date on which financial statements are approved and authorised for issue, the Company does not have any transactions with the companies struck off. Further, the Company has not been declared as a wilful defaulter by any Bank / Financial Institution / any other lender.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
- (v) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) There are all employees on contractual/ temporary basis and less than five years of continuous services and there is no compensated absences outstanding as on 31st March, 2022 therefore no provision has been made for employee benefits and necessary disclosures have not been disclosed as required by Ind AS 19, Employee Benefits".
- (viii) The Code on Social Security, 2020 ("Code") relating to employee benefits during employment, and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- (ix) The Company does not undertake any transactions with respect to crypto currency / assets.
- (x) Provisions of section 135 of the Companies Act, 2013 with respect to CSR are not applicable to the Company.
- (xi) The company is operating in single segment therefore disclosures regarding segment reporting is not made.
- (xii) Figures have been rounded off to nearest thousands.
- (xiv) The figures of the previous year have been re-arranged, re-casted re-grouped and re-classified wherever necessary.

FOR P. SINGHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-113602W



Hema Subhiani  
(HEMA SUBHIANI)  
PARTNER  
M. NO. 41988

UDIN : 224188BAJAF0693  
PLACE: AHMEDABAD  
DATED: 30TH MAY, 2022

For & on behalf of the Board

Bharvin Patel  
Managing Director  
DIN: 01962391

Mrs. Shweta Patel  
Director  
DIN: 06542724

Chetan R Gandhi  
Director  
DIN: 0082794

# AVIVA INDUSTRIES LIMITED

Notes to Standalone Financial Statements for the year ended 31st March 2022

Note 25

Financial Ratios

Ratio	Numerator	Denominator	2021-22	2020-21	% Variance	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	0.61	1.29	-53%	Advance From Vendor Resulted in to Increase in Current Liabilities
Debt-equity ratio (in times)	Current & Non-Current Borrowing	Shareholder's Equity	0.25	0.04	490%	Increase in Unsecured Loan And Reduction in Reserves And Surplus as result of writing off Pre-Operative Expenses
Debt service coverage ratio (in times)	Net Profit after taxes + Depreciation & Amortisation Expenses + Finance Costs - Other Income + Taxes	Interest + Principal Repayments	NA	NA	N.A.	N.A.
Return on equity ratio (in %)	Net profits after taxes	Average Shareholder's Equity	0.03%	0.02%	43%	Reduction in Reserves And Surplus as result of writing off Pre-Operative Expenses And Notional Profit Booked as change in value of Investment
Inventory turnover ratio (in times)	Cost of Traded Goods + Changes in Inventories + Production Expenditure	Average Inventory	34.68	-	#DIV/0!	N.A.



Trade receivables turnover ratio (in times)	Revenue from operations	Avg. Accounts Receivables	0.90	0.16	483%	as a result of Increase in Turnover and reduction in Trade Receivables
Trade payables turnover ratio (in times)	Cost of Traded Goods + Production Expenditure	Avg. Trade Payables	0.996	-	#DIV/0!	N.A.
Net capital turnover ratio (in times)	Revenue from Operations	Working Capital	(4.39)	1.60	-374%	Advance From Vendor Resulted in to Increase in Current Liabilities & Increase in Turnover of Company
Net profit ratio (in %)	Profit After Tax	Total Revenue from Operations	1.14%	3.39%	-66%	Increase in Purchase of Stock in trade and Decrease in G.P. Ratio
Return on capital employed (in %)	Net Profit after taxes + Depreciation & Amortisation Expenses + Finance Costs - Other Income + Taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	0.10%	0.1%	43%	Increase in Unsecured Loan And Reduction in Reserves And Surplus as result of writing off Pre-Operative Expenses



**AVIVA INDUSTRIES Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**Corporate Information & Signification Accounting Policies for the year ended 31<sup>st</sup> March, 2022**

**Note 1 –Corporate Information & Significant Accounting Policies**

**(i) Corporate Information**

Aviva Industries Limited ('The Company') is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its main objects, is Trading of Glass Beads

**(ii) Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

• **Basis of Preparation**

**(i) Statement of Compliance with Ind AS**

These financials statements accounts have been prepared in accordance with Ind AS and disclosures thereon comply with requirements of Ind AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, MSMED Act, 2006, other pronouncements of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule – III to the Companies Act, 2013 and Para 60 and 64 of Ind AS 1 "Presentation of financial statements".

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to a existing accounting standard requires a change in the accounting policy hitherto in use.

**Historical cost convention**

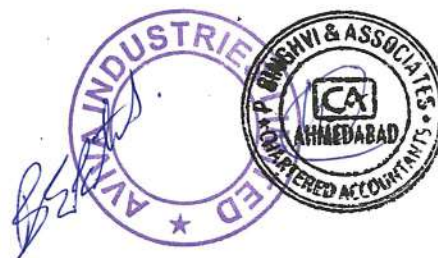
The financial statements are prepared on accrual basis of accounting under historical cost convention, except for the following:

- Certain financial assets and liabilities measured at fair value;

• **Use of estimates and judgements**

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

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



**AVIVA INDUSTRIES Limited**

**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

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

- Useful lives of property, plant and equipment and intangible assets
- Recognition and measurement of other provisions
- Current/deferred tax expense
- Contingent liabilities and assets
- Expected credit loss for receivables
- Fair valuation of unlisted securities
- Measurement of defined benefit obligations

**(a) Property, Plant and Equipment**

Property plant and equipment are stated at their cost of acquisition / construction less depreciation and impairment, if any. The cost comprises of the purchase price and any attributable cost for bringing the asset to its working condition for its intended use; like freight, duties, taxes and other incidental expenses, net of CENVAT or Goods and service tax (GST) credit.

The Company capitalises the assets all the cost directly attributable and ascertainable, to asset. It also includes borrowings attributable to acquisition of such assets.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The Company has identified, reviewed, tested and determined the componentisation of the significant assets.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the income statement when the asset is derecognised.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset

**(b) Intangible Assets**

Intangible Assets includes amount paid towards

- Cost of Computer software. The Company capitalizes software as Intangible Asset where it is expected to provide future enduring economic benefits.





**AVIVA INDUSTRIES Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

Any item of intangible assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognized.

**(c) Depreciation and Amortization, Estimated Useful Lives and Residual Values**

Depreciation on tangible assets is provided on straight line method over the useful life of the asset estimated by the management. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortised over their respective individual estimate useful life on a straight-line basis, commencing from the date the asset is available to the company for its intended use. Cost of mobile phones, are expensed off in the year of purchase.

Based on management estimate, residual value of 5% is considered for respective tangible assets.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and accordingly depreciated at the useful lives specified as below.

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

Cost of lease-hold land is amortised equally over the period of lease.

The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end and revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful lives.

**(d) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Asset**

**Initial Recognition**

A financial asset or a financial liability is recognised in the balance sheet only when, the Company becomes party to the contractual provisions of the instrument.

**Initial Measurement**

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**Subsequent measurement**



**AVIVA INDUSTRIES Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

For purpose of subsequent measurement, financial assets are classified as under:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through profit or loss (FVTPL); and
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

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

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- The assets contractual cash flows represent SPPI

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

#### **Equity Investments**

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

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

#### **Derecognition**



**AVIVA INDUSTRIES Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of Financial Assets**

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

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

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

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased



## AVIVA INDUSTRIES Limited

### Notes to financial statements for the year ended 31<sup>st</sup> March, 2022

significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of Profit & Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts - ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

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

#### Financial Liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments

##### Subsequent measurement

- Financial liabilities measured at amortised cost



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### Notes to financial statements for the year ended 31<sup>st</sup> March, 2022

- Financial liabilities subsequently measured at fair value through profit or loss

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

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

#### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

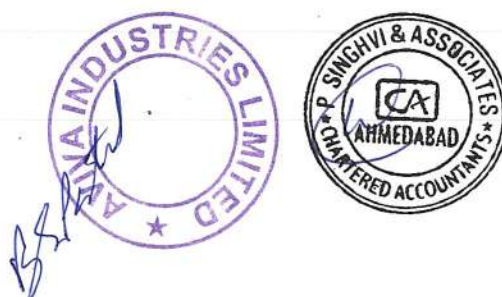
#### Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### Derecognition

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

#### Offsetting financial instruments



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Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**(e) Embedded foreign currency derivative**

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e., relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related

**(f) Fair Value Measurement**

The Company measures certain financial instruments at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

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



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**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

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

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

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

1. Quantitative disclosures of fair value measurement hierarchy.
2. Investment in Mutual Funds.
3. Financial instruments (including those carried at amortised cost).

**(g) Inventories**

Inventories are valued at the lower of cost or net realizable value. Cost formula FIFO is used.

Cost of inventory includes cost of raw material, labour, and proportionate direct manufacturing overhead based on normal capacity.

Net Realisable value is estimated selling price in ordinary course of business.

**(h) Employee Benefits**

Employees Benefits are provided in the books as per Ind AS -19 on "Employee Benefits" in the following manner:

**A. Post-Employment Benefit Plans**

- **Defined Contribution Plan:** Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes and deposited with the regulatory provident fund authorities
- (Government administered provident fund scheme). The Group does not carry any other obligation apart from the monthly contribution.

The Company's contribution is recognised as an expenses in the statement of Profit and Loss during the period in which the employee renders the related service.

- **Defined Benefit Plan** The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund.



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The Gratuity Fund is separately administered through a Trust/Scheme. Contributions in respect of gratuity are made to the approved Gratuity Fund.

The Company's liability is actuarially determined by qualified actuary (using the Projected Unit Credit method) at the end of each year and is recognized in the Balance sheet as reduced by the fair value of Gratuity Fund. Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

- **Long Term Employee Benefits:**

The liability in respect of accrued leave benefits which are expected to be availed or en-cashed beyond 12 months from the end of the year, is treated as long term employee benefits. The Company's liability is actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method. Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

**B. Other Long Term Service Benefits**

- **Long Service Award (LSA):**

On completion of specified period of service with the company, employees are rewarded with Cash Reward of different amount based on the duration of service completed. The Company's liability is actuarially determined by qualified actuary at balance sheet date at the present value of the amount payable for the same. Actuarial losses/ gains are recognized in the Statement of profit and loss in the year in which they arise.

**C. Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the services. Short term employee benefits include salary and wages, bonus, incentive and ex-gratia and also includes accrued leave benefits, which are expected to be availed or en-cashed within 12 months from the end of the year.

**(i) Borrowing**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be draw down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or other expenses.





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Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

**(i) Borrowing Cost**

The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Expenses incurred in connection with the arrangement of borrowings are capitalized over the period of the borrowing and every year such cost is apportioned to assets based on the actual amount borrowed during the year. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

**(j) Foreign Currency Transactions**

*(i) Functional and Presentation Currency*

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

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

**(k) Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of the amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement



**AVIVA INDUSTRIES Limited**  
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**I. Sale**

- Sale is recognized when risk and rewards are transfer to ultimate customer.
- The amount recognised as revenue is stated exclusive of excise duty and exclusive of Sales Tax /Value Added Tax (VAT)and Goods and service tax (GST).

**II. Other operating income –**

- Labour income is recognized on issuance of sales invoice.
- Interest income is recognized on time proportionate basis.
- Dividend income is recognized when right to receive is established.
- Other operating income and misc. income are accounted on accrual basis as and when the right to receive arises.

**(I) Taxation**

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

**Income Taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

**Deferred Taxes**

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.



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Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit available is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilized. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

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

**(m) Impairment of non-financial assets**

In accordance with Ind AS 36 on "Impairment of Assets" at the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other



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**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

**(n) Earnings Per Share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period and any attributable distribution tax thereto for the period.

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(o) Provisions, Contingent Liabilities and Contingent Assets**

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

Provisions are not recognised for future operating losses. Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period and are not discounted to present value. The estimates of outcome and financial effect are determined by the judgment of the management, supplemented by experience of similar transactions and, in some cases, reports from independent experts

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liability is disclosed in the case of:

- A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;



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**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

- A present obligation arising from the past events, when no reliable estimate is possible;
- A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not provided for and if material, are disclosed by way of notes to financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is disclosed by way of notes to financial statements, where an inflow of economic benefits is probable.

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

**(p) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement

For arrangements entered into prior to 1<sup>st</sup> April 2017, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition

**As a lessee**

**Finance Lease**

Lease of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards incidental to ownership are classified as finance leases.

At the commencement of the lease term, the Company recognises finance leases as assets in its balance sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, if not, Company's incremental borrowing rate is used. Any indirect costs of the Company are added to the amount recognised as an asset. Minimum lease payments is apportioned between the finance charge and the reduction of the outstanding liability. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period

**Operating lease**

Leases in which a significant portion of the risks and rewards incidental to ownership is not transferred to the Company as lessee are classified as operating leases. Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:



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**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

- another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

**(q) Segment Reporting**

The Company primarily operates in the segment of Steel Business. The board of directors of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment need to be disclosed.

**(r) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(s) Statement of Cash Flows**

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

**(t) Dividends**

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**(u) Events occurring after the Reporting Date**

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

**(v) Exceptional Items**

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

**(w) Insurance Claims**

The company accounts for insurance claims when there is certainty that the claims are realizable and acknowledged by insurance company and amount recognized in books of accounts is as under:



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- In case of loss of asset /goods by transferring, either the carrying cost of the relevant asset / goods or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance".
- In case insurance claim is, less than carrying cost the difference is charged to Profit and Loss statement. As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to Profit and Loss statement.

