



Date: 06.09.2019

The Secretary, Listing Department  
Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Tower  
Dalal Street  
Mumbai-400 001  
Scrip Code: 506146

The Manager, Listing Department  
National Stock Exchange of India Ltd  
Exchange Plaza  
Plot No.C/1, G Block  
Bandra Kurla Complex  
Bandra East, Mumbai- 400051  
Scrip Code: VIVIDHA

**Sub: Annual Report for the F.Y. 2018-19 and Notice of Annual General Meeting to be held on September 30, 2019.**

Dear Sirs,

Pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, please find attached herewith the Annual Report for the Financial Year 2018-19 and Notice of Annual General Meeting of the members of the Company to be held on Monday, 30<sup>th</sup> September, 2019.

The said report and Annual Report for FY 2018-19 is available on the website of the Company at [www.visagarpolytex.in](http://www.visagarpolytex.in)

Thanking you,

Yours Faithfully,  
For Visagar Polytex Limited,



  
Tilokchand Kothari  
Managing Director  
DIN: 00413627

**VISAGAR POLYTEX LIMITED**

Regd. Off. : 907/908, Dev Plaza, S. V. Road, Andheri (W), Mumbai - 400 058. Tel.: (022) 6742 4815  
Email : [contact@visagar.com](mailto:contact@visagar.com) Website : [www.visagarpolytex.in](http://www.visagarpolytex.in) CIN : L655990MH1983PLC030215

# VISAGAR POLYTEX LIMITED



**34<sup>TH</sup> ANNUAL REPORT 2018-19**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. Tilokchand Kothari	Chairman & Managing Director
Mr. Kanwarlal Rathi	Executive Director
Ms. Pooja Bhardwaj	Non-Executive Independent Director (resigned w.e.f. 17.06.2019)
Mr. Manish Kumar Gupta	Non-Executive Independent Director (resigned w.e.f. 14.11.2018)
Mrs. Parul Gulati	Non-Executive Independent Director (resigned w.e.f. 14.11.2018)
Ms. Babita Nilesh Joshi	Non-Executive Independent Director (appointed w.e.f. 28.12.2018)
Ms. Sheela Vijay Sawdekar	Non-Executive Independent Director (appointed w.e.f. 04.02.2019)
Mr. Kaushal Singh Yadav	Non-Executive Independent Director (appointed w.e.f. 17.06.2019)
Mr. Subhankar Adhikary	Non-Executive Independent Director (appointed w.e.f. 02.08.2019)

**KEY MANAGERIAL PERSONNEL**

Mr. Sagar Kothari	Chief Financial Officer (resigned w.e.f. 28.03.2019)
Mr. Sachin Chandrakant Mehta	Chief Financial Officer (appointed w.e.f. 28.03.2019)
Mr. Pravin Mishra	Company Secretary and Compliance Officer

**SECURITIES LISTED ON**

National Stock Exchange of India Limited  
BSE Limited

**CORPORATE IDENTITY NUMBER**

L65990MH1983PLC030215

**STATUTORY AUDITORS**

**S C MEHRA & ASSOCIATES LLP**

Chartered Accountants  
42 First Floor, Singh Ind. Estate No. 3, Nr.  
Big Cinema Moviestar, Ram Mandir Road,  
Off. S.V. Road, Goregaon (W), Mumbai-  
400104

**REGISTERED OFFICE**

907/908, Dev Plaza, Opp. Andheri Fire Station, S.V.  
Road, Andheri- West, Mumbai- 400058.

**REGISTRAR & SHARES TRANSFER AGENT**

**Adroit Corporate Services (P) Ltd.**

19/20, Jafferbhoy Industrial Estate, 1st floor, Makwana Road, Marol Naka,  
Andheri (East), Mumbai – 400 059.

Tel. No.: 2859 6060/2850 3748 Website: [www.adroitcorporate.com](http://www.adroitcorporate.com)

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**VISAGAR POLYTEX LIMITED**

**CIN: L65990MH1983PLC030215**

Registered Office: 907/908, Dev Plaza, Opp. Andheri Fire Station, S.V. Road, Andheri (West),  
Mumbai 400058.

Tel: 022-67424815; Website: [www.visagarpolytex.in](http://www.visagarpolytex.in); Email: [contact@visagar.com](mailto:contact@visagar.com)

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**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of **M/s. VISAGAR POLYTEX LIMITED** will be held on Monday, **30<sup>th</sup> September 2019** at 10.00 a.m. at 2<sup>nd</sup> Floor, CKP Hall, Tejpal Scheme Rd 4, Udyan Vikas Society, Vile Parle East, Vile Parle, Mumbai-400057, India to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statement as at March 31, 2019 and Profit & Loss Account of the Company for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kanwar Lal Rathi (DIN: 06441986), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

3. Regularization of Appointment of Mrs. Sheela Vijay Sawdekar as an Independent Non-Executive Director: -

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 Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including

any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby accorded for the appointment of Mrs. Sheela Vijay Sawdekar (DIN: 08351314 ), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from February 04, 2019 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that she meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non-Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

4. Regularization of Appointment of Mr. Kaushal Singh Yadav as an Independent Non-Executive Director: -

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 Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby accorded for the appointment of Mr. Kaushal Singh Yadav (DIN: 08484455 ), who

was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from June 17, 2019 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that she meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non-Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

5. Regularization of Appointment of Mr. Subhankar Adhikaryas an Independent Non-Executive Director: -

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 Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby accorded for the appointment of Mr. Subhankar Adhikary(DIN: 08371957), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from August2, 2019 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of

Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that she meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non-Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

Place: Mumbai  
Date: 29.08.2019

**For VisagarPolytex Limited**

Registered Office:  
907/908, Dev Plaza,  
Opp. Andheri Fire Station,  
S.V. Road, Andheri (West),  
Mumbai – 400058.  
Tel: 022- 67424815  
Website: [www.visagarpolytex.in](http://www.visagarpolytex.in)

Sd/-  
Tilokchand Kothari  
**Managing Director**  
DIN: 00413627



**NOTES:**

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), which sets out details relating to Special Business at the meeting is annexed hereto. The relevant details of the Directors seeking re-appointment/ appointment pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and as required under Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India, are annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

Pursuant to the provision of the Companies Act 2013 (hereinafter called "the Act") and the Rules made thereunder person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

3. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members holding Shares in single name and physical form are advised to make nomination in respect of shareholding in the Company. Members can avail of the Nomination facility by filing Form SH-13 with the Company or its Registrar. Blank Forms will be supplied on request. In case of shares held in Demat form, the nomination has to be lodged with their Depository Participants.

6. Members who hold shares in physical shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Adroit Corporate Services (P) Ltd. for consolidation into a single folio.
7. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Particulars of Bank mandates. Such changes are to be advised only to the Depository Participants.
9. Members, holding shares in physical form are requested to notify changes in address, if any, to the Registrars of the Company immediately, quoting their folio numbers. Members, holding shares in dematerialized form, should send the above information to the respective Depository Participants.
10. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
11. The Register of Members and Share Transfer Books of the Company shall remain closed from **September 24, 2019 to September 30, 2019**(both days inclusive) for the purpose of annual book closure.
12. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper. However, members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to vote again at the AGM.
13. Members are requested to bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report. Members, who hold shares in Electronic Form, are requested to bring their Depository ID Number and Client ID Number to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members

holding shares in physical form can submit their PAN details to M/s. AdroitCorporate Services (P) Ltd., 19/20, Jafferbhoy Industrial Estate, 1<sup>st</sup> floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400059.

15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 02.00 p.m. up to the date of declaration of the result of the Annual General Meeting of the Company.
16. The Annual Report 2018-19 and Notice of the 36<sup>th</sup> Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent in electronic form to all the members whose email IDs are registered with the Company/Depository Participants(s). For members who have not registered their email address, physical copies of the aforesaid documents are being sent in the permitted mode. Members who prefer physical copy to be delivered may write to the Company at its registered office or send an E-mail to [investors@visagar.com](mailto:investors@visagar.com) or [secretarial@visagar.com](mailto:secretarial@visagar.com) by providing their DP Id and Client Id as reference.
17. Members may also note that the Notice of the 36<sup>th</sup> Annual General Meeting and the Annual Report for 2018-19 will also be available on the Company's website [www.visagarpolytex.in](http://www.visagarpolytex.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
18. Members who wish to get any further information as regards the items to be transacted at the meeting are requested to write to Mr. Pravin Mishra, Company Secretary at least ten days prior to the Meeting so as to enable the management to reply at the meeting.
19. Members holding shares in physical form are requested to consider converting their holdings in dematerialised form to eliminate risks associated with physical shares and better management of the securities. Members can write to the company's registrar and share transfer agent in this regard.
20. The route map showing directions to reach the venue of the 36<sup>th</sup> Annual General Meeting is annexed herewith the Notice.

**Instructions for remote e-voting are as under:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM) (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on **27<sup>th</sup>September 2019 (9.00 am) and ends on 29<sup>th</sup> September 2019 (5:00 pm)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23<sup>rd</sup>September 2019**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently
- V. The instructions for Remote e-voting through electronic means are as under:
  - a. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

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

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

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

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

**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 ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is



	12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have

forgotten your password:

- a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - 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.

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

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

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

- b. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
  - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
 

<b><u>EVEN (Remote e-voting Event Number)</u></b>	<b><u>USER ID</u></b>	<b><u>PASSWORD/PIN</u></b>
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  - (ii) Please follow all steps from Sl. No. a above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

*NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)*

*In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ Client ID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No + Folio No).*

- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September 2019.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> September 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Veenit Pal, Practising Company Secretary, Proprietor of Veenit Pal & Associates, Company Secretaries, ACS 25565, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company viz. [www.visagarpolytex.in](http://www.visagarpolytex.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited.



**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO: 4**

Mrs. Sheela Vijay Sawdekar(DIN-08351314) was appointed as an Additional Non-Executive Independent Director w.e.f. 4<sup>th</sup> February, 2019 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. Nomination and Remuneration Committee has recommended regularization of Mrs. Sheela Vijay Sawdekar as an Independent Non-Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

**Section 149 and Section 152 inter alia specifies that:**

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of Special Resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the AGM.

In the opinion of the Board Mrs. Sheela Vijay Sawdekar is a person of integrity, possesses the relevant expertise and experience, fulfils the conditions specified in the said Act and the rules made there under and is independent of the management of the Company. She is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during Normal Business Hours on any working day. Members may note that the requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by the Independent Non-Executive Directors confirming compliance with the provisions of Section 149 (6) of the Companies Act, 2013. Upon the confirmation of her appointment as Independent Non-Executive Director by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Non-Executive Director. The Board accordingly recommends

the Resolutions at Item No. 4 of this Notice for the approval of the Members as **Ordinary Resolution**.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mrs. Sheela Vijay Sawdekaris in any way concerned or interested, financially or otherwise, in the Resolution at Item No.4 of this Notice.

#### **ITEM NO: 5**

Mr. Kaushal Singh Yadav(DIN-08484455) was appointed as an Additional Non-Executive Independent Director w.e.f. 17<sup>th</sup> June, 2019 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. Nomination and Remuneration Committee has recommended regularization of Mr. Kaushal Singh Yadavas an Independent Non-Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

#### **Section 149 and Section 152 inter alia specifies that:**

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of Special Resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the AGM.

In the opinion of the Board Mr. Kaushal Singh Yadav is a person of integrity, possesses the relevant expertise and experience, fulfils the conditions specified in the said Act and the rules made there under and is independent of the management of the Company. He is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during Normal Business Hours on any working day. Members may note that the requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by the Independent Non-Executive Directors confirming compliance with the provisions of Section 149 (6) of the Companies Act, 2013. Upon

the confirmation of his appointment as Independent Non-Executive Director by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Non-Executive Director. The Board accordingly recommends the Resolutions at Item No. 5 of this Notice for the approval of the Members as **Ordinary Resolution**.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Kaushal Singh Yadavis in any way concerned or interested, financially or otherwise, in the Resolution at Item No.5 of this Notice.

#### **ITEM NO: 6**

Mr. Subhankar Adhikary (DIN-08371957) was appointed as an Additional Non-Executive Independent Director w.e.f. 2<sup>nd</sup> August, 2019 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. Nomination and Remuneration Committee has recommended regularization of Mr. Subhankar Adhikaryas an Independent Non-Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

#### **Section 149 and Section 152 inter alia specifies that:**

(a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of Special Resolution by the Shareholders in General Meeting; and

(b) An Independent Director shall not be liable to retire by rotation at the AGM.

In the opinion of the Board Mr. Subhankar Adhikary is a person of integrity, possesses the relevant expertise and experience, fulfils the conditions specified in the said Act and the rules made there under and is independent of the management of the Company. He is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during Normal Business Hours on any

working day. Members may note that the requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by the Independent Non-Executive Directors confirming compliance with the provisions of Section 149 (6) of the Companies Act, 2013. Upon the confirmation of her appointment as Independent Non-Executive Director by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Non-Executive Director. The Board accordingly recommends the Resolutions at Item No. 6 of this Notice for the approval of the Members as **Ordinary Resolution**.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Subhankar Adhikary is in any way concerned or interested, financially or otherwise, in the Resolution at Item No.6 of this Notice.

**Annexure to Notice**

**Details of the Directors seeking appointment/re-appointment at the Annual General Meeting  
(Pursuant to Regulation 36 (3) of the Listing Regulations, 2015 & Secretarial Standards-2 on  
General Meetings)**

Name of Director	<b>Mr. Kanwar Lal Rathi</b>
DIN	06441986
Date of Appointment	11.10.2012
Date of Birth	20.12.1969
Qualification	Graduate
Brief Profile	Mr.Rathi has been associated with the Company since 7 years handling wholesale trading division of the Company particularly sale of Lehengas. He has experience of 21 years in the field of trading and textile Industries.
Directorship in other Public limited Companies	Maharashtra Corporation Limited
No. of Shares held in the Company Own Beneficial Basis	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	Nephew of Mr. Tilokchand Kothari
Chairman/Member of the Committee of the Board of Directors of the Company	Nil
Chairman/Member of the Committee of the Board of Directors of other Public Companies*	Nil

*\*The Directorship above does not include Directorship held with Private and foreign companies and companies registered under Section 8 of the Companies Act, 2013.*



Name of Director	<b>Mrs. Sheela Vijay Sawdekar</b>
DIN	08351314
Date of Appointment	04.02.2019
Date of Birth	16.06.1987
Qualification	Graduate
Brief Profile	Ms. Sheela Sawdekar has done graduation in field of commerce, she possesses great Analytical skills required for the business. She has also acquired more than 10 years' experience in the field of Administration and Accounts.
Directorship in other Public limited Companies	Nil
No. of Shares held in the Company Own Beneficial Basis	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	No
Chairman/Member of the Committee of the Board of Directors of the Company	Member of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.
Chairman/Member of the Committee of the Board of Directors of other Public Companies*	No

*\*The Directorship above does not include Directorship held with Private and foreign companies and companies registered under Section 8 of the Companies Act, 2013.*

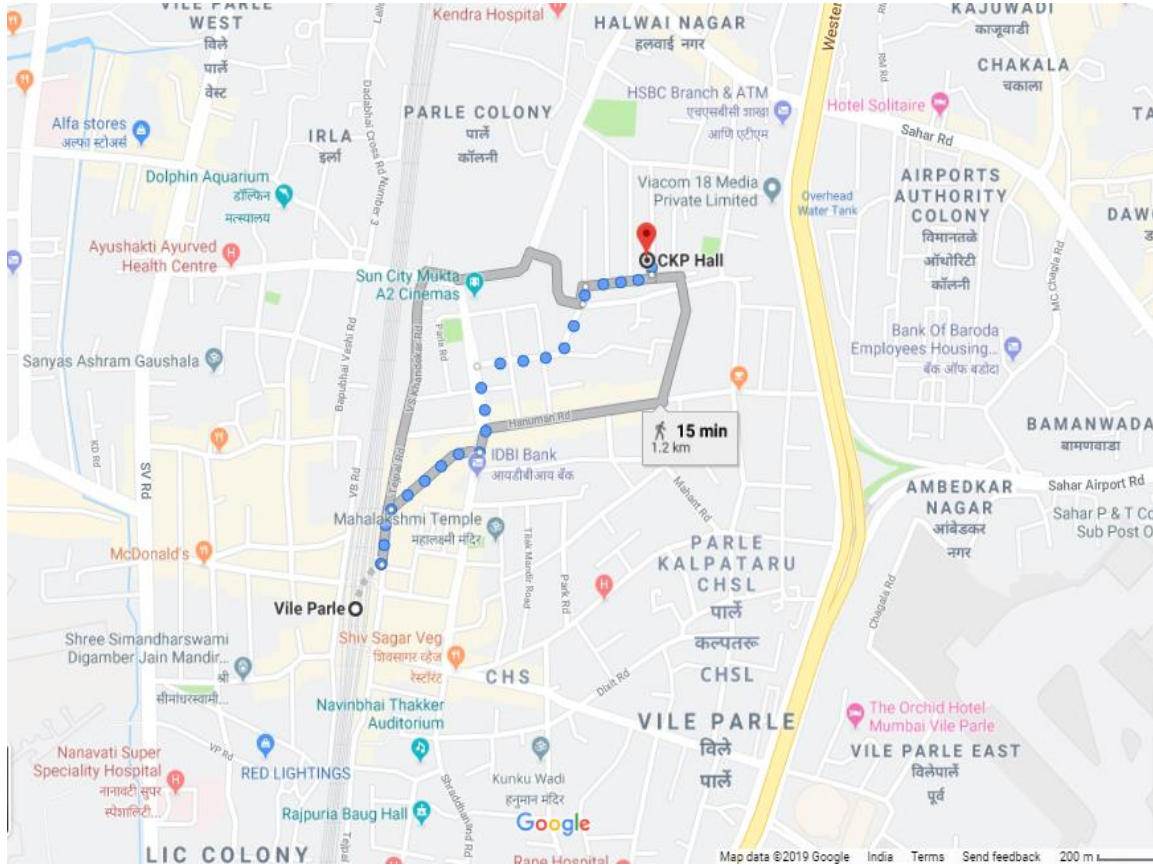
Name of Director	<b>Mr. Kaushal Singh Yadav</b>
DIN	08484455
Date of Appointment	17.06.2019
Date of Birth	21.02.1992
Qualification	Graduate
Brief Profile	Mr. Kaushal Singh Yadav has done graduation in field of Science. He possesses great creative and execution skills required for the business of Media. He is also a scriptwriter.
Directorship in other Public limited Companies	Nil
No. of Shares held in the Company Own Beneficial Basis	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	No
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.
Chairman/Member of the Committee of the Board of Directors of other Public Companies*	No

*\*The Directorship above does not include Directorship held with Private and foreign companies and companies registered under Section 8 of the Companies Act, 2013.*

Name of Director	<b>Mr. Subhankar Adhikary</b>
DIN	08371957
Date of Appointment	02.08.2019
Date of Birth	24.09.1987
Qualification	Graduate
Brief Profile	Mr. Subhankar Adhikary has done graduation in field of Science. He possesses great Analytical skills required for the business. He also involved in the business of film making.
Directorship in other Public limited Companies	Osiajee Texfab Limited
No. of Shares held in the Company Own Beneficial Basis	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel	NIL
Chairman/Member of the Committee of the Board of Directors of the Company	Member of Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee.
Chairman/Member of the Committee of the Board of Directors of other Public Companies*	<b><u>Osiajee Texfab Limited</u></b> 1. Audit Committee-Member 2. Stakeholders' Relationship Committee-Member 3. Nomination and Remuneration Committee-Chairman

*\*The Directorship above does not include Directorship held with Private and foreign companies and companies registered under Section 8 of the Companies Act, 2013.*

## ROUTE MAP FOR THE VENUE OF ANNUAL GENERAL MEETING



**Venue: 2<sup>nd</sup> Floor, CKP Hall, Teipal Scheme Rd 4, Udyan Vikas Society, Vile Parle East, Vile Parle, Mumbai-400057**

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present their **36<sup>th</sup>Annual Report** for the financial year ended March 31, 2019:

### BUSINESS PERFORMANCE:

(Rs. In Lacs)

PARTICULARS	YEAR ENDED 31.03.2019	YEAR ENDED 31.03.2018
Revenue from operations	5382.57	8226.96
Other income	7.63	3.40
Gross Income	5390.20	8230.36
Total Expenses	5368.35	8059.44
Net Profit Before Tax	21.85	170.92
Provision for Tax	5.5	30.00
<b>Net Profit After Tax</b>	<b>16.35</b>	<b>140.92</b>

### OPERATIONS AND FUTURE PLANS:

Your Company has seen a decrease in turnover during the year under review which accounted for Rs. 5382.57 Lakhs as compared to Rs 8226.96 Lakhs in FY 2017-18. The Net Profit has also decreased from Rs. 140.92 Lakhs in FY 2017-18 to Rs. 16.35 Lakhs in FY 2018-19. Your Company is very much optimistic about the coming year. Since the Company is trying to reduce cost and expand its business, your Directors are hopeful that the results will be more encouraging.

### EXPANSION:

Your Company is continuously exploring opportunities for growth, expansion and modernization of its projects. In addition to the above growth efforts, the company is also contemplating setting up of and/or investing in some projects relating to the activities of the



company.

**DIVIDEND:**

In order to plough back the profit, your Directors have not recommended any dividend for the year ended March 31, 2019.

**SHARE CAPITAL:**

As at March 31, 2019, the authorised share capital of the Company was Rs. 35,00,00,000 (Rupees Thirty-Five Crores Only) divided into 35,00,00,000 (Thirty-Five Crores) Equity Shares of Re. 1/- (Rupee One Only) each.

As at March 31, 2019, the paid-up Equity Share Capital of the Company stood at Rs. 29,27,00,534 (Rupees Twenty-Nine Crores Twenty-Seven lakhs five hundred & thirty-four only) divided into 29,27,00,534 (Twenty-Nine Crores Twenty-Seven lakhs five hundred & thirty-four) Equity Shares of Re. 1/- (Rupee One Only) each. During the year 2017-18, the Company had issued 9,00,00,000 (Nine Crores) Convertible Warrants of Re. 1/- (Rupees One Only) each on preferential basis at an issue price of Rs. 1.12/- each. On 28<sup>th</sup> December, 2018 the Company has converted 2,35,00,000 (Two Crores Thirty five Lakhs) warrants into Equity shares of Re. 1/- (Rupee One Only) each and on 16<sup>th</sup> February, 2019 the Company has converted 2,30,00,000 (Two Crores Thirty Lakhs) warrants into Equity shares of Re. 1/- (Rupee One Only) each.

**BONUS:**

During the year, no bonus shares are issued by the Company.

**TRANSFER TO RESERVE:**

The Board does not propose to make transfer to reserves for the year 2018-19 and instead intends to retain the net profit of Rs. 16,35,259/- in the Profit & Loss Account for the year ended March 31, 2019.

**COMPLIANCE WITH THE ACCOUNTING STANDARDS**

The Company prepares its accounts and other financial statements in accordance with the relevant accounting principles and also complies with the accounting standards issued by the Institute of Chartered Accountants of India.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

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

**TRANSFER TO UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION****FUND:**

The amount of dividends remaining unpaid/unclaimed for seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. An amount of Rs. 1,12,351.00/- declared for the year 2011-12 is unclaimed. If the same is not claimed by the Members, the said amount will be transferred to IEPF.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:****i) Retire by Rotation:**

In accordance with the provisions of Section 152 of the Act, and that of Articles of Association of the Company, Mr. Kanwarlal Rath (DIN: 06441986) Director of the Company retires by rotation at this Annual General Meeting of the Company and being eligible, offers himself for reappointment.

**ii) Change in Directors and Key Managerial Personnel's:**

During the year under review, **Mr. Manish Kumar Gupta** (DIN: 05331936) has resigned from the position of Independent Director of the Company w.e.f. November, 14, 2018 due to personal reasons. The Board considered and approved his resignation from the post of Directorship. The Board place on record its gratitude for the services rendered by him during the tenure as director of the Company.

**Ms. Parul Gulati** (DIN: 07740390) has resigned from the position of Independent Director of the Company w.e.f. November, 14, 2018 due to personal reasons. The Board considered and approved his resignation from the post of Directorship. The Board place on record its gratitude for the services rendered by him during the tenure as director of the Company.

Upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors on December 28, 2018, **Ms. Babita Nilesh Joshi**(DIN: 08295353) was appointed as the “Additional (Non-Executive Independent) Director” on the Board of Directors of your Company for a term of 5 (Five) years starting from December 28, 2018, which is subject to approval of the Members at the ensuing Annual General Meeting.

Further, upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors on February 4, 2019, **Ms. Sheela Vijay Sawdekar** (DIN: 08351314) was appointed as the “Additional (Non-Executive Independent) Director” on the Board of Directors of your Company for a term of 5 (Five) years starting from February 4, 2019, which is subject to approval of the Members at the ensuing Annual General Meeting.

**Mr. Sagar Tilokchand Kothari** has resigned from the position of Chief Financial Officer of the Company w.e.f. March 28, 2019 due to personal reasons. The Board considered and approved his resignation. The Board place on record its gratitude for the services rendered by him during the tenure as Chief Financial Officer of the Company.

Upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors on March 28, 2019, **Mr. Sachin Chandrakant Mehta** was appointed as Chief Financial Officer of the Company.

### iii) **Composition of Board of Directors and Key Managerial Personnel's:**

As on the date of this Board's Report, i.e., as on May 30, 2019, your Company's Board of Directors comprises of the following Directors:

Name of the Director	Director Identification Number (DIN)	Category
Tilokchand Manaklal Kothari	00413627	Chairman & Managing Director
Kanwar Lal Rathi	06441986	Executive Director
Babita Nilesh Joshi	08295353	Non-Executive Independent Director
Sheela Vijay Sawdekar	08351314	Non-Executive Independent Director
Pooja Bhardwaj	05331936	Non-Executive Independent Director

As on the date of this Board's Report, i.e., as on May 30, 2019, your Company's Key Managerial Personnel are as follows:

Name of KMP	Designation
Mr. Sachin Chandrakant Mehta	Chief Financial Officer
Mr. Pravin Jogendra Mishra	Company Secretary and Compliance Officer

**iv) Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

**v) Meetings of the Board:**

During the year ended March 31, 2019, Sixteen(16) Board Meetings were held by the Company on May 30, 2018; June 19, 2018; August 13, 2018; September 3, 2018; September 11, 2018; September 15, 2018; October 4, 2018; November 14, 2018; November 26, 2018; December 28, 2018; January 24, 2019; February 4, 2019; February 14, 2019; February 16, 2019; March 28, 2019 and March 30, 2019. Details of the meetings and the attendance record of the Directors are mentioned in the Corporate Governance section which forms part of this Report.

**vi) Committees of the Board:**

At present, there are three (3) Committees of Board, i.e. Audit Committee, Stakeholders' Relationship Committee & Nomination & Remuneration Committee. The Composition and other details related to the Committees have been stated in the Corporate Governance Report which forms part of this report.

**DECLARATION OF INDEPENDENCE FROM INDEPENDENT DIRECTORS:**

All Independent Directors of your Company have individually and severally given a declaration pursuant to Section 149(7) of the Companies Act, 2013 affirming compliance to the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013. Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified in the Companies Act, 2013, rules made thereunder as well as applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively 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.

**CHANGE IN THE NATURE OF BUSINESS:**

During the period under review, there is no change in the nature of business of the Company. The Company continues to operate in the Textile Sector.

**EXTRACT OF ANNUAL RETURN:**

The extract of Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013 (herein after referred to as "the Act") forms an integral part of this Report as "Annexure A".

**NOMINATION AND REMUNERATION COMMITTEE POLICY:**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are explained in the Corporate Governance Report. The Nomination & Remuneration Policy is annexed as "Annexure B" to this Report. The Nomination & Remuneration Policy is also available in the website of the Company i.e. <http://vpl.visagar.com/investors.html>

**AUDIT COMMITTEE:**

Your Company has an Audit Committee in compliance with the provisions of the Companies Act, 2013 as well as Part C of Schedule II of the Listing Regulations. The composition of the Audit Committee, detail of terms of reference, number and dates of meetings held and attendance of the Members therein have been specified separately in the attached Corporate Governance Report. The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

**PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTY:**

All related party transactions that were entered into by the Company during the financial year under review were on arms' length basis and in the ordinary course of business. There are no material significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large, hence Form AOC-2 is not applicable to the Company. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://vpl.visagar.com/attachments/PolicyonRelatedPartyTransactions.pdf>

**AUDITORS & THEIR REPORT:****a) Change in Statutory Auditor:**

At the AGM held on 30<sup>th</sup> September, 2017 for the Financial year ended 2016-17, the Members have approved and accorded their assent for appointment of M/s. S.C. Mehra & Associates, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of the 34<sup>th</sup> Annual General Meeting until the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company to be held in the year 2022, subject to the ratification of the Members at every Annual General Meeting.

Pursuant to the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Statutory Auditors was required to be placed for ratification at every Annual General Meeting. The said proviso has been omitted by MCA vide its notification dated 7<sup>th</sup> May, 2018 with immediate effect.

The Company has received a letter from Auditors to the effect that their appointment if made it would be within the prescribed limits under Section 139 of the Companies Act, 2013 for Financial Year 2018-19.

The Statutory Auditors M/s. S.C. Mehra & Associates have issued their reports on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2019. There are no adverse remarks or qualifications in the said report. The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**b) Secretarial Auditor:**

In compliance with the provisions of Sec 204 and other applicable provisions of Companies Act 2013, the Board of Directors have appointed Miss Pooja Jain, Practising Company Secretary as Secretarial Auditors to undertake Secretarial Audit of the Company for the financial year ended March 31, 2019. The Secretarial Audit Report is attached herewith marked as "**Annexure C**" and forms an integral part of this report.

Secretarial Auditor has made and mentioned the following observation in its report:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-



Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 18(1)- Audit Committee	Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 24.01.2019 the Committee consisted of 2 Executive Directors & 1 Independent Director as member instead of 2/3 <sup>rd</sup> of Independent Director.	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing a new Independent Director on the Board (Ms. Babita Joshi) on 28.12.2018 and made her the member of the Committee on 24.01.2019.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board</p>

			<p>of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
2.	Regulation 19(1)/19(2)-Nomination and Remuneration Committee	Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 04.02.2019 the Committee consisted of 2 Executive Directors out of 3 instead of all Non-Executive Directors as per the Regulation.	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing 2 Independent Directors on the Board (Ms. Babita Joshi &amp; Ms. Sheela Sawdekar) and made them the members on 24.01.2019 &amp; 04.02.2019 respectively.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the</p>

			<p>event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
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(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c) As informed and information provided to us, the following are the details of actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
1.	BSE & NSE	Regulation 18(1)- Audit Committee	The Company received a notice from BSE and NSE for Non-compliance with the requirement of the Constitution of the	The Company received notice from the Stock Exchanges (BSE & NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280

			<p>Committee i.e. during the period from 14.11.2018 to 24.01.2019 the Committee consisted of 2 Executive Directors &amp; 1 Independent Director as member instead of 2/3<sup>rd</sup> of Independent Director and charged penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each)</p>	<p>by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing a new Independent Director on the Board (Ms. Babita Joshi) on 28.12.2018 and made her the member of the Committee on 24.01.2019.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
2.		Regulation 19(1)/19(2)- Nomination and	The Company received a notice from BSE and NSE for Non-compliance with the	The Company received notice from the Stock Exchanges (BSE & NSE) for the same

		<p>Remuneration Committee</p>	<p>requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 04.02.2019 the Committee consisted of 2 Executive Directors out of 3 instead of all Non-Executive Directors as per the Regulation and Charged penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each)</p>	<p>wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing 2 Independent Directors on the Board (Ms. Babita Joshi &amp; Ms. Sheela Sawdekar) and made them the members on 24.01.2019 &amp; 04.02.2019 respectively.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
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(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... <i>(The years are to be mentioned)</i>	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NA for the review period				

**With respect to the above our reply is-**

**1.Regulation 18(1) Non-compliance with the constitution of audit committee**

Reply: We would like to inform you that, as per the provision contained under regulation 25 (6) regarding Obligation with respect to independent directors,

*“An Independent Director who resigns or is removed from the board of directors of the listed entity shall be replaced by a new independent director by listed entity at the earliest but not later than the immediate next meeting of the board or three months from the date of such vacancy, whichever is later”*

As per the said provision, the Company has appointed Ms. Babita Joshi as Non-Executive Independent Director on 28.12.2018 and subsequently appointed her as a member of Audit Committee in the Board meeting held on 24.01.2019 in place of Mr. Kanwarlal Rathi, Executive Director. Further, Mr. Kanwarlal Rathi was appointed as a member of the Audit Committee in the Board meeting held on 14.11.2018 in place of Mr. Manish Kumar Gupta who in turn resigned from the position of Non- Executive Independent Director w.e.f 14.11.2018.

Mr. Kanwarlal Rathi, Executive Director was appointed as member of the committee for the period from 14.11.2018 to 24.01.2018 due to his expertise and knowledge in the field of accounts and finance and subsequently the company was in process for searching a right candidate for the said position.

Therefore, considering the above it is to be said that the Company has appointed Ms. Babita Joshi, Non-Executive Independent Director within the said period of 3 months as per regulation 25(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the board meeting held on 28.12.2018 and also appointed her as committee member w.e.f. 24.01.2019. Thus, the company has complied with the provision of Regulation 25(6).

Further, the Company has mentioned all the details regarding resignation and appointment of members of audit committee as a part of the notes in Composition of Audit committee Section of Corporate Governance Report filed for the quarter ended December 31, 2018 and has also given all intimations to the Exchange.

Also, to inform you that during Audit Committee Meeting held on 14.11.2018 the composition was proper as per Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the next meeting was held on 14.02.2019 as per the requisite composition of Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Therefore, the composition was correct in all the Audit Committee Meetings and neither of the committee meetings were held with improper composition.

## **2. Regulation 19(1)/19(2) Non-compliance with the constitution of nomination and remuneration committee**

Reply: We would like to inform you that, as per the provision contained under regulation 25 (6) regarding Obligation with respect to independent directors,

*“An Independent Director who resigns or is removed from the board of directors of the listed entity shall be replaced by a new independent director by listed entity at the earliest but not later than the immediate next meeting of the board or three months from the date of such vacancy, whichever is later”*

As per the said provision, The Company has appointed Ms. Babita Joshi as Non-Executive Independent Director on 28.12.2018 and subsequently appointed her as member of Nomination and Remuneration Committee (NRC Committee) in the Board meeting held on 24.01.2019 in place of Mr. Kanwarlal Rathi, Executive Director. Further,



Mr. Kanwarlal Rathi was appointed as a member of the NRC Committee by the Board in its meeting held on 14.11.2018 in place of Ms. Parul Gulati who in turn resigned from the position of Non- Executive Independent Director w.e.f 14.11.2018.

Further, the Company has also appointed Ms. Sheela Sawdekar, as Non-Executive Independent Director on 04.02.2019 and subsequently appointed her as member of Nomination and Remuneration Committee (NRC Committee) in the same Board meeting in place of Mr. Tilokchand Kothari, Executive Director. Mr. Tilokchand Kothari was appointed as member in the Board meeting held on 14.11.2018 in place of Mr. Manish Kumar Gupta who in turn resigned from the position of Non- Executive Independent Director w.e.f 14.11.2018.

Appointment of two Executive Directors as member of committee on 14.11.2018 is only to form a committee of three members and the same has been rectified by appointment of two Non-Executive Independent Directors Ms. Babita Joshi and Ms. Sheela Sawdekar as committee members on 24.01.2019 and 04.02.2019 respectively.

Therefore, considering the above it is to be said that Company has appointed Ms. Babita Joshi, Non-Executive Independent Director and Ms. Sheela Sawdekar, Non-Executive Director within the said period of 3 months from 14.11.2018 as per regulation 25(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Thus the company has complied with the provision of Regulation 25(6).

Further, the Company has mentioned all the details regarding resignation and appointment of members of Nomination and Remuneration Committee as a part of the notes in Composition of NRC committee Section of Corporate Governance Report filed for the quarter ended December 31, 2018 and also has given all intimations to the Exchange.

Also, to inform you that during Nomination and Remuneration Committee Meeting on 14.11.2018 the composition was proper as per Regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the next meeting was held on 14.02.2019 during the said period also the composition was as proper as per Regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Therefore, the composition was correct in all the Nomination and Remuneration Committee Meetings.

Also to inform that the refund has been received from NSE and BSE is reviewing the same.

**c) Internal Auditor:**

M/s. Lakhpat M Trivedi & Co., Chartered Accountants, Mumbai (Registration No. 109047) was appointed as Internal Auditor of the Company for the FY 2018-2019 and the Internal Audit Report prepared by them was placed before the Audit Committee.

**RISK MANAGEMENT:**

Risk Management is a risk-based approach to manage an enterprise, identifying events that may affect the entity and manage risks to provide reasonable assurance regarding achievement of entity's objective. The risk management process consists of risk identification, risk assessment, risk prioritization, risk treatment or mitigation, risk monitoring and documenting the new risks. The Company has laid a comprehensive Risk Assessment and Minimization Procedure, which is reviewed by the Audit committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. In the opinion of your Board, none of the risks which have been identified may threaten the existence of the Company.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has in place an adequate budgetary control system and internal financial controls with reference to financial statements. No reportable material weaknesses were observed in the system during the previous fiscal. Further, the Company has laid down internal financial control policies and procedures which ensure accuracy and completeness of the accounting records and the same are adequate for safeguarding of its assets and for prevention and detection of frauds and errors, commensurate with the size and nature of operations of the Company. The policies and procedures are also adequate for orderly and efficient conduct of business of the Company.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

**PUBLIC DEPOSITS:**

The Company has not accepted any deposit from the general public within the meaning of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY UNDER SECTION 186:**

Details of Loan, Guarantees and Investments covered under the provisions of the Act, are disclosed in the notes to the Financial Statements.

**MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

During the year ended March 31, 2019, there were no material changes and commitments affecting the financial position of the Company have occurred between the period ended March 31, 2019 to which financial results relate and the date of the Report.

**CORPORATE SOCIAL RESPONSIBILITY:**

Since the provisions as laid down in the Section 135 of the Companies Act, 2013 are not applicable to the Company, hence no such Committee has been formed. However, Company had always tried in its best possible ways to involve itself in social development activities.

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

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report on the operations of the Company, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report.

**CORPORATE GOVERNANCE:**

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

**INSURANCE:**

The fixed assets of the Company have been adequately insured.

**DEMATERIALISATION OF SHARES:**

Your Company has connectivity with the National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for dematerialization of its Equity Shares. The ISIN No. **INE370E01029** has been allotted for the Company Shares. The status of dematerialisation of shares as on March 31, 2019 is mentioned in the Corporate Governance section which forms part of this Report.

**LISTING OF SHARES:**

The shares of your Company are listed at National Stock Exchange of India Limited and BSE Limited. The applicable Annual Listing fees have been paid to both the Stock Exchanges for the financial year 2018-19.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

The Policy is also available on the web-site at the web-link <http://vpl.visagar.com/attachments/Revisedvigilmechanismpolicy.pdf>. The Audit Committee of Directors are entrusted with the responsibility to oversee the Vigil mechanism. During the year 2018-19, no complaints were received.

**PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2018 - 19.

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

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134[3][m] of the Act read with the Companies [Accounts] Rules, 2014, are provided in the 'Annexure D' and forms part of this Report.

**PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rule made thereunder. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.

**ACKNOWLEDGEMENT:**

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Bankers, Business Associates and the Government and other regulatory authorities and thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.



By Order of the Board of Directors  
**For VisagarPolytex Limited**

Place: Mumbai  
Date: May 30, 2019

Sd/-  
Tilokchand Kothari  
**Chairman & Managing Director**  
DIN: 00413627

**ANNEXURE - A****Form No.MGT-9**

**Extract of Annual Return as on the financial year ended March 31, 2019**  
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies**  
**(Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	L65990MH1983PLC030215
ii)	Registration Date	16.06.1983
iii)	Name of the Company	<b>VISAGAR POLYTEX LIMITED</b>
iv)	Category/Sub - Category of the Company	
v)	Category	Public Company
vi)	Sub -Category	Company limited by shares
vii)	Address of the Registered Office	907/908, Dev Plaza, Opp. Andheri Fire Station, S.V. Road, Andheri (West), Mumbai - 400058
viii)	Contact Details	022-67424815 Email id: contact@visagar.com/secretarial@visagar.com
ix)	Whether listed company	Yes
x)	Name, Address and Contact details of Registrar and Transfer Agent, if any	
xi)	Name	Adroit Corporate Services (P) Limited
xii)	Address	19/20, Jafferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai - 400059.
xiii)	Contact	Tel: 42270414/42270423/42270426 Fax No.: 022 -28503748 Email id: <a href="mailto:rnt@adroitcorporate.com">rnt@adroitcorporate.com</a>



## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated: -

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

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of Shares held	Applicable Section
	NA	NA	NA	NA	NA

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

### i. *Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

<b>Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	2460533	-	2460533	1.00	2460533	-	2460533	0.84	(0.16)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other									
Directors	73750659	-	73750659	29.96	66050659	-	66050659	22.57	(7.39)
Directors' Relatives	5028000	-	5028000	2.04	5028000	-	5028000	1.72	(0.32)
<b>Sub-total(A)(1):-</b>	<b>81239192</b>	-	<b>81239192</b>	<b>33</b>	<b>73539192</b>		<b>73539192</b>	<b>25.12</b>	<b>(7.87)</b>
<b>2) Foreign</b>									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-	-	-	-	-	-	-	-	-	-
c) Individuals									
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
g) Sub- total(A)(2):-									
<b>Total Shareholding of Promoters &amp; Promoter Group (A)=(A)(1) +(A)(2)</b>	<b>81239192</b>	-	<b>81239192</b>	<b>33</b>	<b>73539192</b>		<b>73539192</b>	<b>25.12</b>	<b>(7.87)</b>
<b>Public Shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds	-	-	-	-					
b) Banks / FI	-	-	-	-	90000	0	90000	0.03	0.03
c) Central Govt	-	-	-	-					

d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
j) <b>Sub-total (B)(1)</b>	-	-	-	-	<b>90000</b>	<b>0</b>	<b>90000</b>	<b>0.03</b>	<b>0.03</b>
<b>2) Non-Institutions</b>									
a) Bodies Corp.									
ai) Indian	12237101	244915	12482016	5.07	41659963	104852	41764815	14.27	9.20
aii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
bi) Individual shareholders holding nominal share capital upto Rs. 1 lakh	94719993	459630	95179623	38.66	92464127	459654	92923781	31.75	(6.91)
bii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	49261846	261066	49522912	20.11	53874177	23000000	76874177	26.26	6.15
c) Others									
ci) Clearing Member	820847	-	820847	0.33	138286	-	138286	0.05	(0.29)
cii) NRIs	6955944	-	6955944	2.83	7370283	-	7370283	2.52	(0.31)

b) Sub-total(B)(2)	163995731	965611	164961342	67	195506836	23564506	219071342	74.84	7.84
c) Total Public Shareholding (B)=(B)(1)+(B)(2)	163995731	965611	164961342	67	195596836	23564506	219071342	74.88	7.87
d) Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
e) Grand Total (A+B+C)	245234923	965611	246200534	100	269136028	23564506	292700534	100	-

- On 14.03.2018 Company has issued 9,00,00,000 Convertible warrants of Face value Re. 1/- each at an issue price of Rs. 1.12/- each on preferential basis to Promoter and Non-promoter Group.
- On 28.12.2018 Company has converted 2,35,00,000 warrants into equity shares of Face value Re. 1/- each.
- On 16.02.2019 Company has converted 2,30,00,000 warrants into equity shares of Face value Re. 1/- each.
- In the beginning the paid-up share capital was 24,62,00,534 and in the end of the year the paid-up share capital is 29,27,00,534.

**ii. Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total share	
1.	Tilokchand Manaklal Kothari	73750659	29.96	-	66050659	22.57	20.89	(7.39)
2.	Trisha Media Limited	2460533	1.00	-	2460533	0.84	-	(0.16)
3.	Sagar Tilokchand Kothari	5008000	2.03	-	5008000	1.71	-	(0.32)
4.	Tilokchand Kothari (HUF)	20000	0.01	-	20000	0.01	-	0.00
	<b>Total</b>	<b>81239192</b>	<b>33</b>	<b>-</b>	<b>73539192</b>	<b>25.12</b>	<b>-</b>	<b>(7.87)</b>

- On 14.03.2018 Company has issued 1,65,00,000 Convertible warrants of Face value Rs. 1/- each at an issue price of Rs. 1.12/- each on preferential basis to Visagar Financial Services Limited(Promoter).
- In the beginning the paid-up share capital was 24,62,00,534 and in the end of the year the paid-up share capital is 29,27,00,534.

iii. *Change in Promoters' Shareholding (please specify, if there is no change)*

Sr. no	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Tilokchand Kothari</b>				
	At the beginning of the year	73750659	29.96	73750659	29.96
	Increase / Decrease during the year				
	Sale of shares on 12.09.2018	7700000	3.13	7700000	3.13
	At the End of the year	66050659	22.57	66050659	22.57
2.	<b>Mr.SagarTilokchand Kothari</b>				
	At the beginning of the year	5008000	2.03	5008000	2.03
	Increase / Decrease during the year	No change during the year			
	At the End of the year	5008000	1.71	5008000	1.71
3.	<b>Tilokchand Kothari (HUF)</b>				
	At the beginning of the year	20000	0.01	20000	0.01
	Increase / Decrease during the year	No change during the year			
	At the End of the year	20000	0.01	20000	0.01
4.	<b>Trisha Media Ltd</b>				
	At the beginning of the year	2460533	1.00	2460533	1.00
	Increase / Decrease during the year	No change during the year			
	<b>At the End of the year</b>	2460533	0.84	2460533	0.84

- In the beginning the paid-up share capital was 24,62,00,534 and in the end of the year the paid-up share capital is 29,27,00,534.

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

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total Share Capital	Increase (No. of Shares)	Decrease (No. of Shares)	No. of shares	% of total Share Capital
1.	Vinod Manilal Gala	0	0	8000000	--	8000000	2.73
2.	Pravin Nanji Gala HUF	0	0	5000000	--	5000000	1.71
3.	Dulcet Advisory Private Limited	0	0	4100000	--	4100000	1.40
4.	Mystic Electronics Limited	0	0	3500000	--	3500000	1.20
5.	Birla Power Solutions Limited	2637066	1.07	--	--	2637066	0.90
6.	Attribute Shares and Securities Private Limited	0	0	2500000		2500000	0.85
6.	Hitesh Malsi Rita	0	0	2500000	--	2500000	0.85
8.	Forever Flourishing Finance & Investments Private Limited	0	0	2500000	--	2500000	0.85
9.	Dhrumil Pravin Gala	0	0	2500000	--	2500000	0.85
10.	Golden Medows Export Private Limited	0	0	2500000	--	2500000	0.85
11.	Kashish Multi Trade Private Limited	0	0	2500000	--	2500000	0.85
12.	Kasturi Overseas Private Limited	0	0	2500000	--	2500000	0.85
13.	Laxmiramuna Investments Private Limited	0	0	2500000	--	2500000	0.85



14.	Nouveau Global Ventures Limited	0	0	2500000	--	2500000	0.85
15.	Mukta Agriculture Limited	0	0	2500000	--	2500000	0.85
16.	Nirmala Pravin Gala	0	0	2500000	--	2500000	0.85
17.	Jayesh Malsi Rita	0	0	2500000	--	2500000	0.85

v. *Shareholding of Directors and Key Managerial Personnel:*

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Tilokchand Kothari (Managing Director)</b>				
	At the beginning of the year	73750659	29.96	73750659	29.96
	Increase / Decrease during the year				
	Sale of shares on 12.09.2018	7700000	3.13	7700000	3.13
	At the End of the year	66050659	22.57	66050659	22.57
2.	<b>Mr. Sagar Kothari (Chief Financial Officer)</b>				
	At the beginning of the year	5008000	2.03	5008000	2.03
	Increase /Decrease during the year	No change during the year			
	At the End of the year	5008000	1.71	5008000	1.71

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the FY</b>				
i) Principal Amount	10,68,70,177	68,50,000	--	113,720,177
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not	--	--	--	--
<b>Total(i+ii+iii)</b>	<b>10,68,70,177</b>	<b>68,50,000</b>	<b>--</b>	<b>113,720,177</b>
<b>Change in Indebtedness during the FY</b>				
- Addition	--	9,26,546	--	9,26,546
- Reduction	1,77,69,985	--	--	1,77,69,985
<b>Net Change</b>	<b>(1,77,69,985)</b>	<b>9,26,546</b>	<b>--</b>	<b>(1,68,43,439)</b>
<b>Indebtedness at the end of the FY</b>				
i) Principal Amount	<b>8,91,00,192</b>	<b>77,76,546</b>	--	<b>9,68,76,738</b>
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>8,91,00,192</b>	<b>77,76,546</b>	<b>--</b>	<b>9,68,76,738</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/ or Manager

Sl. No	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		<b>Mr. Tilokchand Kothari (Managing Director)</b>	
	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	--	--
	Stock Option	--	--
	Sweat Equity	--	--
	Commission - as % of profit - others, specify...	--	--
	Others, please specify	--	--
	<b>Total (A)</b>	<b>NIL</b>	<b>NIL</b>

### B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors					Total Amount
<i>(Sitting Fees)</i>	Ms. Parul Gulati	Ms. Pooja Bharadwaj	Mr. Manish Kumar Gupta	Mrs. Babita Joshi	Mrs. Sheela Sawdekar	
<u>Independent Directors</u>						

Fee for attending Board/Committee Meetings	30,000/-	30000/-	30000/-	7500/-	5000/-	102500/-
Commission	--	--	--	--	--	--
Others, please specify	--	--	--	--	--	--
<b>Total (1)</b>	<b>30,000/-</b>	<b>30,000/-</b>	<b>30,000/-</b>	<b>7500/-</b>	<b>5000/-</b>	<b>102500/-</b>
<b>Other Non-Executive Directors</b>						
Fee for attending board / committee meetings	--	--	--	--	--	--
Commission	--	--	--	--	--	--
Others, please specify	--	--	--	--	--	--
<b>Total (2)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total (B)=(1+2)</b>	<b>30,000/-</b>	<b>30,000/-</b>	<b>30,000/-</b>	<b>7500/-</b>	<b>5000/-</b>	<b>102500/-</b>
<b>Total Managerial Remuneration</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Overall Ceiling as per the Act</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

**C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Mr.Pravin Mishra Company Secretary	Mr. Sagar Kothari Chief Financial Officer	Total
	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 1,95,000/-	Rs. 5,93,520/-	Rs. 7,88,520/-

Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	--	--	--
Stock Option	--	--	--
Sweat Equity	--	--	--
Commission - as % of profit - others, specify...	--	--	--
Others, please specify	--	--	--
Total	Rs. 1,95,000/-	Rs. 5,93,520/-	Rs. 7,88,520/-

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

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT / Court]	Appeal made. If any(give details)
<b>Company</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>Directors</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>Other Officers In Default</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

**ANNEXURE - B****NOMINATION & REMUNERATION POLICY****PREAMBLE:**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19(4) read with Para A (1) of Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**APPLICABILITY:**

This Policy is applicable to all the Directors, Key Managerial Personnel (KMP) and Senior Management team and other employees of **VisagarPolytex Limited** (“Company”).

**DEFINITIONS:**

- i) **“Act”** means Companies Act, 2013 and rules framed thereunder as amended from time to time;
- ii) **“Board of Directors”** or Board, in relation to the company, means the collective body of the Directors of the Company;
- iii) **“Company”** means **“VisagarPolytex Limited”**; and
- iv) **“Policy”** or **“This policy”** means Nomination and Remuneration Policy.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

**ROLE OF THE COMMITTEE:**

The role of the Committee will be the following:

- i) To formulate criteria for determining qualifications, positive attributes and independence of a Director;
- ii) To formulate criteria for evaluation of Independent Directors and the Board;
- iii) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy;
- iv) To carry out evaluation of Director's performance; and
- v) To recommend to the Board the appointment and removal of Directors and Senior Management.

**APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:**

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

**REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:**

- **Remuneration to Managing Director / Whole-time Directors:**
  - a. The Remuneration/ Commission etc. paid to Managing Director / Whole-time Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

- b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration of Managing Director / Whole-time Director.
- **Remuneration to Non- Executive / Independent Directors:**
    - a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
    - b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

**AMENDMENTS TO THE NOMINATION AND REMUNERATION POLICY:**

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

By Order of the Board of Directors  
**For VisagarPolytex Limited**

Place: Mumbai  
Date: May 30, 2019

Sd/-  
Tilokchand Kothari  
**Managing Director**  
DIN: 00413627



**ANNEXURE - C**

**FORM NO. MR - 3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[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,  
**Visagar Polytex Limited**  
907, Dev Plaza, 9<sup>th</sup> Floor,  
Opp. Andheri Fire Station(West)  
Mumbai-400059.

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

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

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment **were not attracted to the Company during the Financial Year under Review;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Applicable to the Company during the financial year under review)**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, presently known as SEBI (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the financial year under review)**

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued any Debt Securities during the financial year under review)**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable during the financial year under review)**
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not applicable during the financial year under review)**
- i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
- vi. Other Laws specifically applicable to the Company  
The Textiles (Development and Regulation) Order, 2001

I have also examined Compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;

I have also examined the books, papers and returns filed and other records maintained by the Company's for the Financial Year ended on March 31, 2019 according to the provisions of various Labour Laws and other Laws applicable, including the Rules made thereunder, and amended from time to time, to the Company, as informed by the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above and there are no material non-compliances that have come to our knowledge except to the extent as mentioned below:

- (e) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below: -

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 18(1)- Audit Committee	Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 24.01.2019 the Committee consisted of 2 Executive Directors & 1 Independent Director as member instead of 2/3 <sup>rd</sup> of Independent Director.	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing a new Independent Director on the Board (Ms. Babita Joshi) on 28.12.2018 and made her the member of the Committee on 24.01.2019.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015</p>

			<p>which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
2.	Regulation 19(1)/19(2)- Nomination and Remuneration Committee	Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 04.02.2019 the Committee consisted of 2 Executive Directors out of 3 instead of all Non-Executive Directors as per the Regulation.	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing 2 Independent Directors on the Board (Ms. Babita Joshi &amp; Ms. Sheela Sawdekar) and made them the members on 24.01.2019 &amp; 04.02.2019 respectively.</p> <p>In addition to the above</p>

			<p>the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
--	--	--	---

- (f) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (g) As informed and information provided to us, the following are the details of actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
1.	BSE & NSE	Regulation 18(1)- Audit Committee	<p>The Company received a notice from BSE and NSE for Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 24.01.2019 the Committee consisted of 2 Executive Directors &amp; 1 Independent Director as member instead of 2/3<sup>rd</sup> of Independent Director and charged penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each)</p>	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing a new Independent Director on the Board (Ms. Babita Joshi) on 28.12.2018 and made her the member of the Committee on 24.01.2019.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149</p>

				of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)
2.		Regulation 19(1)/19(2)- Nomination and Remuneration Committee	The Company received a notice from BSE and NSE for Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 04.02.2019 the Committee consisted of 2 Executive Directors out of 3 instead of all Non-Executive Directors as per the Regulation and Charged penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE & NSE each)	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing 2 Independent Directors on the Board (Ms. Babita Joshi &amp; Ms. Sheela Sawdekar) and made them the members on 24.01.2019 &amp; 04.02.2019 respectively.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p>



				(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)
--	--	--	--	--

**I further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable Laws, Rules, Regulations and Guidelines.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service tax Act, Central excise Act and Rules including CENVAT Rules & Custom Act, I have relied on the reports given by the Statutory Auditors of the Company.

**I further report that** during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.

**I further report that** during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.

**Date: 15.05.2019**

**Place: Mumbai**

**Pooja Jain**

Practicing Company Secretary

ACS No: 36270

COP No. 14359

This report should be read with my letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.

**Annexure-I**

To,  
The Members  
**VISAGAR POLYTEX LIMITED**

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

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Date: 15.05.2019**  
**Place: Mumbai**

**Pooja Jain**  
Practicing Company Secretary  
ACS No: 36270  
COP No. 14359

**Secretarial compliance report of Visagar Polytex Limited for the year ended March 31, 2019**

I, Pooja Jain, Practicing Company Secretary, have examined:

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

for the year ended March 31, 2019 (“Review Period”) in respect of compliance with the provisions of :

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

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; not applicable to the Company during the review period**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; not applicable to the Company during the review period**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; not applicable to the Company during the review period**

- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **not applicable to the Company during the review period**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;  
and circulars/ guidelines issued thereunder;  
and based on the above examination, I/We hereby report that, during the Review Period:
- (h) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 18(1)- Audit Committee	Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 24.01.2019 the Committee consisted of 2 Executive Directors & 1 Independent Director as member instead of 2/3 <sup>rd</sup> of Independent Director.	The Company received notice from the Stock Exchanges (BSE & NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE & NSE each) was levied and the same was paid by the Company.  Further, the Company complied with the regulation by appointing a new Independent Director on the Board (Ms. Babita Joshi) on 28.12.2018 and made her the member of the Committee on

			<p>24.01.2019.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
2.	Regulation 19(1)/19(2)-Nomination and Remuneration Committee	Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 04.02.2019 the Committee consisted of 2 Executive Directors out of 3 instead of all Non-Executive Directors as per the Regulation.	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the</p>

			<p>regulation by appointing 2 Independent Directors on the Board (Ms. Babita Joshi &amp; Ms. Sheela Sawdekar) and made them the members on 24.01.2019 &amp; 04.02.2019 respectively.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
--	--	--	---

- (i) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from my/our examination of those records.

- (j) As informed and information provided to us, the following are the details of actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
1.	BSE & NSE	Regulation 18(1)- Audit Committee	The Company received a notice from BSE and NSE for Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 24.01.2019 the Committee consisted of 2 Executive Directors & 1 Independent Director as member instead of 2/3 <sup>rd</sup> of Independent Director and charged penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE & NSE each)	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing a new Independent Director on the Board (Ms. Babita Joshi) on 28.12.2018 and made her the member of the Committee on 24.01.2019.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new Independent Director shall be appointed not later than the</p>



				<p>immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
2.		Regulation 19(1)/19(2)- Nomination and Remuneration Committee	<p>The Company received a notice from BSE and NSE for Non-compliance with the requirement of the Constitution of the Committee i.e. during the period from 14.11.2018 to 04.02.2019 the Committee consisted of 2 Executive Directors out of 3 instead of all Non-Executive Directors as per the Regulation and Charged penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each)</p>	<p>The Company received notice from the Stock Exchanges (BSE &amp; NSE) for the same wherein penalty of Rs.2,26,560 /- (Rs. 1,13,280 by BSE &amp; NSE each) was levied and the same was paid by the Company.</p> <p>Further, the Company complied with the regulation by appointing 2 Independent Directors on the Board (Ms. Babita Joshi &amp; Ms. Sheela Sawdekar) and made them the members on 24.01.2019 &amp; 04.02.2019 respectively.</p> <p>In addition to the above the Company is communicating with BSE and NSE as there is no default as per the Regulation 25(6) of SEBI (LODR) Regulations, 2015 which says that on the event of resignation of any Independent Director a new</p>

				<p>Independent Director shall be appointed not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p> <p>(Note: The company was not in default as per Section 149 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment of Directors) Rules 2014)</p>
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(k) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... <i>(The years are to be mentioned)</i>	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NA for the review period				

Date: 15.05.2019

Place: Mumbai

Pooja Jain  
 Practicing Company Secretary  
 C.P. No. 14359

**CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Part C (10) (i) of Schedule V of Security and Exchange Board of India  
(Listing Obligation and Disclosure Requirements) Regulations, 2015)**

To  
The Members,  
Visagar Polytex Limited

We have examined the status of the directorship of the all the directors of the Company, in our opinion and to the best of our information, we certify that none of Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such other Statutory Authority.

Pooja Jain  
Practising **Company Secretaries**  
ACS No.: 36270  
C. P. No.: 14359

**Date: 15.05.2019**  
**Place: Mumbai**

**ANNEXURE - D**

**Information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as provided under section 134[3][m] of the Companies Act, 2013 read with Rule No. 8 of the Companies [Accounts] Rules, 2014**

**A. Conservation of Energy:****1. Steps taken or impact on conservation of energy:**

The Company always gives its utmost priority on conservation of Energy. Company, from time to time, also issues directives to the staff and labour to conserve energy by switching off the devices when not in use. The operators at the manufacturing unit are also informed to switch off machinery when not in use.

**2. Stepstaken for utilization of alternate sources of energy**

There are no specific steps taken by the Company for utilising alternate sources of energy.

**3. Capital Investment on energy conservation equipments**

No capital investment has been made during the year on energy conservation equipments.

**B. Technology absorption:****1. Efforts made towards technology absorption**

No specific efforts taken towards technology absorption.

**2. Benefits Derived**

No such benefits derived in the current year.

**3. Details of technology imported in last four years:**

Below are the details of new technology imported in last three years:

a. Details of technology imported	22 multi-head embroidery machinery via High Seas Sale Agreement amounting to Rs. 409.17 Lacs.
b. Year of import	FY 2015-16
c. Whether the technology been fully absorbed	Yes
d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	N.A.

#### 4. Expenditure incurred on Research and Development

The Company has incurred expenditure on designing which can be termed as research & development.

#### C. Foreign exchange earnings and outgo:

During the year, there were no foreign exchange inflows or outgo.

#### FORM "A"

##### Form for disclosure of particulars with respect to conservation of energy

A)	Power & Fuel Consumption	Year ended 31.03.2019	Year ended 31.03.2018
1.	<b>Electricity Purchased</b>		
	Units consumed	1,30,119	1,73,531
	Total Amount	Rs. 10,65,402	Rs. 13,69,860
	Average Rate/Unit (in Rs.)	Rs. 8.19	Rs. 7.89
B)	<b>Consumption per unit of production</b>		
	Currently the Company is involved in doing job work on the manufactured cloth. The per unit consumption of electricity cannot be measured as the unit is number of stitches which cannot be calculated as the number are very high.		

## **CORPORATE GOVERNANCE REPORT**

### **INTRODUCTION:**

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in terms of Regulation 34 read with Chapter IV and Schedule V of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

### **COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE:**

The Company's philosophy of Corporate Governance is founded on the pillars of fairness, accountability, disclosures and transparency. These pillars have been strongly cemented which is reflected in your Company's business practices and work culture. The sound governance processes and systems guide the Company on its journey towards continued success. The practice of responsible governance has enabled your Company to achieve sustainable growth, while meeting the aspirations of its stakeholder's and societal expectations.

Your Company is committed to sound principles of Corporate Governance with respect to all of its procedures, policies and practices. The governance processes and systems are continuously reviewed to ensure highest ethical and responsible standards being practiced by your Company. Comprehensive disclosures, structured accountability in exercise of powers, adhering to best practices and commitment to Compliance with regulations and statutes in letter as well as spirit have enabled your Company to enhance shareholder value. In fact, this has become an integral part of the way the business is done.

The Company recognizes that good Corporate Governance is a continuous exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders for effective implementation of the Corporate Governance practices.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;

- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a Global leader in Textiles, Apparel, Garmenting and Lifestyle Brands while upholding the core values of Quality, Trust, Leadership and Excellence.

## **I. BOARD OF DIRECTORS**

The Board of Directors (“the Board”) is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Management Committee of the Company is headed by the Managing Director and has functional heads as its members, which look after the management of the day-to-day affairs of the Company. The Board meets at least once a quarter to review quarterly results and consider other items on the Agenda as well as in the event of Annual General Meeting of the Company. In addition to the quarterly meetings, the Board convenes its meetings as and when necessary.

The Company has a judicious Combination of Executive and Non- Executive Directors. As on March 31, 2019, the Board comprised of 5 Directors out of which two are Executive Directors and three are Independent Non-Executive Directors. The Chairman of the Board is an Executive Director.

### **a) Composition and Category**

The Board of Directors of the Company represents an optimum combination of Executive and Non-Executive Directors for its independent functioning. The composition of Board of Directors of the Company is in compliance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of each member of the Board along with the number of Directorship(s)/ Committee Membership(s)/ Chairmanship(s) are provided herein below:

Name	Category of Directorship	Number of Directorship in Public Limited Companies (including Visagar Polytex Limited) ^	Number of Membership/ Chairmanship in Committees of Boards of Public Limited Companies (including Visagar Polytex Limited)#	
			As Chairman	As Member
Mr. Tilokchand Kothari	Promoter, Chairman & Managing Director	6	None	0
Mr.KanwarLalRathi	Executive Director	2	None	0
Ms. Pooja Bhardwaj	Independent, Non - Executive Director	2	2	0
Mr. Manish Kumar Gupta*	Independent, Non - Executive Director	0	0	0
Ms.ParulGulati**	Independent, Non - Executive Director	0	0	0
Mrs. Babita Nilesh Joshi***	Independent, Non - Executive Director	1	0	2
Mrs. Sheela Vijay Sawdekar****	Independent, Non - Executive Director	1	0	2

*^Excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.*

*#Includes only the membership of Audit and Stakeholders' Relationship Committees of Indian public limited companies.*



*\*Mr. Manish Kumar Guptahas resigned from the position of Independent Directorship of the Company in the Board Meeting held on November 14, 2018 with immediate effect.*

*\*\*Ms. Parul Gulati has resigned from the position of Independent Directorship of the Company in the Board Meeting held on November 14, 2018 with immediate effect.*

*\*\*\*Mrs. Babita Nilesh Joshi has been appointed as Independent Director of the Company in the Board Meeting held on 28.12.2018 with immediate effect.*

*\*\*\*\*Mrs. Sheela Vijay Sawdekar has been appointed as Independent Director of the Company in the Board Meeting held on 04.02.2019 with immediate effect.*

As on March 31, 2019, the Board of Directors of the Company consist of two (2) Executive Directors and three (3) Independent Non- Executive Directors. The Chairman of the Board is an Executive Director. The number of Independent Directors is more than half of the entire Board.

As on the date of this Corporate Governance Report, i.e., as on 30<sup>th</sup> May, 2019, your Company's Board of Directors comprises of the following Directors:

<b>Name of the Director</b>	<b>Director Identification Number (DIN)</b>	<b>Category</b>
Tilokchand Manaklal Kothari	00413627	Chairman & Managing Director
Kanwar Lal Rathi	06441986	Executive Director
Sheela Vijay Sawdekar	08351314	Non-Executive Independent Director
Pooja Bhardwaj	05158206	Non-Executive Independent Director
Babita Nilesh Joshi	08295353	Non-Executive Independent Director

The details of Directorship(s) held in other Listed companies are as under:

Name of the Director	List of Directorship held in other Listed Companies	Category of Directorship
Mr. Tilokchand Kothari	1. Shalimar Productions Ltd	Executive Director
	2. Maharashtra Corporation	Executive Director
	3. Visagar Financial Services Ltd	Executive Director
Mr. Kanwarlal Rathi	Maharashtra Corporation	Whole-time Director
Mrs. Babita Nilesh Joshi	NIL	NIL
Mrs. Sheela Vijay Sawdekar	NIL	NIL
Ms. Pooja Bhardwaj	Agarwal Duplex Board Mills Limited.	Independent Director

## ii) Board Meetings and Attendance

During the year ended March 31, 2019, Sixteen(16) Board Meetings were held by the Company on May 30, 2018; June 19, 2018; August 13, 2018; September 3, 2018; September 11, 2018; September 15, 2018; October 4, 2018; November 14, 2018; November 26, 2018; December 28, 2018; January 24, 2019; February 4, 2019; February 14, 2019; February 16, 2019; March 28, 2019 and March 30, 2019.

The Attendance Record of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Sr. No.	Name of Directors	No. of Board Meetings attended	Attendance at last AGM held on 29.09.2018
1.	Mr. Tilokchand Kothari	16	Present
2.	Mr. Kanwar Lal Rathi	16	Present
3.	Ms. Parul Gulati**	8	Present
4.	Ms. Pooja Bhardwaj	16	Present
5.	Mr. Manish Kumar Gupta*	8	Present
6.	Mrs. Babita Nilesh Joshi***	6	NA
7.	Mrs. Sheela Vijay Sawdekar****	4	NA

*\*Mr. Manish Kumar Gupta has resigned from the position of Independent Directorship of the Company in the Board Meeting held on November 14, 2018 with immediate effect.*

*\*\*Ms. Parul Gulati has resigned from the position of Independent Directorship of the Company in the Board Meeting held on November 14, 2018 with immediate effect.*

*\*\*\*Mrs. Babita Nilesh Joshi has been appointed as Independent Director of the Company in the Board Meeting held on 28.12.2018 with immediate effect.*

*\*\*\*\*Mrs. Sheela Vijay Sawdekar has been appointed as Independent Director of the Company in the Board Meeting held on 04.02.2019 with immediate effect.*

### iii) Skills/ Expertise/ Competencies of the Board of Directors

The following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

1. Leadership Qualities
2. Industry knowledge and experience
3. Experience and exposure in policy shaping and industry advocacy
4. Understanding of relevant laws, rules, regulations and policies
5. Corporate Governance
6. Financial expertise
7. Risk Management
8. Information Technology

### iv) Details of Directors' relation inter-se and shares held by them

As on March 31, 2019, the number of shares held by the Directors is follows:

Sr. No.	Name of Directors	Inter-se Relation between Directors	No. of Shares held
1.	Mr. Tilokchand Kothari	Maternal Uncle of Mr.KanwarlalRathi	6,60,50,659
2.	Mr.KanwarLalRathi	Nephew of Mr. Tilokchand Kothari	--
3.	Ms.PoojaBhardwaj	None	--

4.	Mr. Manish Kumar Gupta	None	--
5.	Ms.ParulGulati	None	--
6.	Mrs. Babita Nilesh Joshi	None	--
7.	Mrs. Sheela Vijay Sawdekar	None	--

#### v) Familiarization Programme for Independent Directors

Pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the familiarization program aims to provide Independent Directors with the industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization program also seeks to update the Directors on the roles, responsibilities, rights and duties under The Companies Act, 2013 and other statutes. The Chairman and Managing Director also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's The detail of the familiarization programme imparted to Independent Directors during the year is available on the following link <http://vpl.visagar.com/attachments/FamiliarizationProgrammeIndependentDirectors.pdf>.

## II. COMMITTEES OF BOARD

Currently, your Company has three Board Committees. They are - Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee.

### I. Audit Committee

#### i. Broad Terms of Reference

Your Company has an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations). The terms of reference & functions of the Audit Committee are prescribed under Part C of Schedule II of The SEBI (LODR) Regulations, 2015 which are as follows:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
2. Recommendation for appointment, remuneration, and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue such as public issue, rights issue, preferential issue etc., the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the reports submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature, and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture (in case of non-payment of declared dividends), and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of the appointment of Chief Financial Officer after assessing the qualifications, experience, and background of the candidate;
20. Performing any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee is empowered pursuant to its terms of reference:

- i) Investigation of any activity within its terms of reference;
- ii) Seeking information from any of the employees while investigating;
- iii) Obtaining outside legal or other professional advice on any matter as it may consider necessary.

## ii. Composition of the Committee

As on March 31, 2019, the composition of the Audit Committee of the Company is as follows:

Name of the Member	Designation	Category
Ms. Pooja Bhardwaj*	Chairman	Independent, Non-Executive
Mrs. Babita Joshi**	Member	Independent, Non-Executive
Mrs. Sheela Sawdekar***	Member	Independent, Non-Executive

The Committee has been reconstituted-

\*Mr. Manish Kumar Gupta ceased to be chairman of this committee w.e.f. 14.11.2018. In the same meeting Ms. Pooja Bhardwaj has been inducted as Chairperson.

\*\*Mrs. Babita Joshi has been inducted as member of the Committee w.e.f 24.01.2019.

\*\*\* Mrs. Sheela Sawdekar has been inducted as member of the Committee w.e.f 04.02.2019

\*\*\*\*Mr. Kanwarlal Rathi has been inducted as member of the Committee for the period from 14.11.2018 to 24.01.2019.

### iii. Meeting & Attendance

During the year ended March 31, 2019, Five (5) Meetings of Audit Committee were held on May 30, 2018; August 13, 2018; November 14, 2018; February 14, 2019 and March 30, 2019. The details of the meetings attended by the Members during the year are as follows:

Name of the Member	No. of Committee Meetings held	No. of Committee Meetings Attended
Mr. Manish Kumar Gupta	3	3
Ms.PoojaBhardwaj	5	5
Mr. Tilokchand Kothari	3	3
Mrs. Babita Joshi	2	2
Mrs. Sheela Sawdekar	2	2

## II. Nomination & Remuneration Committee

The Nomination and Remuneration Committee constituted by the Board of Directors of the Company, acts in consonance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part-D of Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- i. **The Broad terms of reference and functions of the Nomination and Remuneration Committee are as follows:**
  - a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

- b) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- c) Devising a policy on diversity of Board of Directors;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- e) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.

## ii. Composition of the Committee

As on March 31, 2019, the composition of the Nomination & Remuneration Committee of the Company is as follows:

Name of the Member	Designation	Category
Ms. Pooja Bhardwaj	Chairman	Independent, Non-Executive
Mrs. Babita Joshi**	Member	Independent, Non-Executive
Mrs. Sheela Sawdekar***	Member	Independent, Non-Executive

The Committee has been reconstituted-

#Parul Gulati has been inducted as member of the Committee in place of Mr. Tilokchand Kothari w.e.f. 30.05.2018.

##Mr. Manish Kumar Gupta ceased to be member of this committee w.e.f. 14.11.2018. In the same meeting Mr. Tilokchand Kothari has been inducted as member of the committee.

###Ms. Parul Gulati ceased to be member of this committee w.e.f. 14.11.2018. In the same meeting Mr. Kanwarlal Rathi has been inducted as member of the committee.

\*\*Mrs. Babita Joshi has been inducted as member of the Committee w.e.f. 24.01.2019 in place of Kanwarlal Rathi.

\*\*\* Mrs. Sheela Sawdekar has been inducted as member of the Committee w.e.f. 04.02.2019 in place of Mr. Tilokchand Kothari.

## iii. Meeting & Attendance

During the year ended March 31, 2019, Three (3) Committee Meetings were held on May 30,



2018; November 14, 2018 and February 14, 2019. The details of the meetings attended by the Members during the year are as follows:

Name of the Member	No. of Committee held	No. of Committee Meetings Attended
Ms.PoojaBhardwaj	3	3
Mr. Manish Kumar Gupta	2	2
Ms. Parul Gulati	2	2
Mrs. Babita Joshi	1	1
Mrs. Sheela Sawdekar	1	1

### III. Stakeholders' Relationship Committee

The composition of the Stakeholders' Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Committee is responsible for addressing the investor complaints and grievances. The Committee meets on a periodic basis to address the investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. Details of grievances of the investors are provided hereunder.

#### i. **Composition & Attendance**

As on March 31, 2019, the composition of the Stakeholders' Relationship Committee of the Company is as follows:

Name of the Member	Designation	Category
Ms. Pooja Bhardwaj*	Chairman	Independent, Non-Executive
Mrs. Babita Joshi**	Member	Independent, Non-Executive
Mrs. Sheela Sawdekar	Member	Independent, Non-Executive

\*\*Mrs. Babita Joshi has been inducted as member of the Committee w.e.f 24.01.2019 in place of Kanwarlal Rathi.

\*\*\* Mrs. Sheela Sawdekar has been inducted as member of the Committee w.e.f 04.02.2019 in place of Mr. Tilokchand Kothari.

## ii. Meeting & Attendance

During the year ended March 31, 2019, Four (4) Committee Meetings were held on May 30, 2018; August 13, 2018; November 14, 2018 and February 14, 2019. The details of the meetings attended by the Members during the year are as follows:

Name of the Member	No. of Committee held	No. of Committee Meetings Attended
Ms.PoojaBhardwaj	4	4
Mr. Tilokchand Kothari	3	3
Mr.KanwarlalRathi	3	3
Mrs. Babita Joshi	1	1
Mrs. Sheela Sawdekar	1	1

## Criteria for Performance Evaluation of Independent Directors

The criteria for performance evaluation of Independent Directors cover the areas relevant to the functioning of the Independent Director such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Director(s) who is subject to evaluation did not participate.

## iii. Investor Complaints attended & resolved during the year:

Number of shareholders complaints received so far and number of complaints solved to the satisfaction of shareholders.

Sr. No.	Investor Complaints	No. of Complaints attended/resolved during 2018-19
1.	Number of complaints pending at the	NIL

	beginning of the financial year 2018-19	
2.	Number of complaints received during the financial year 2018-19	1
3.	Number of complaints redressed during the financial year 2018-19	1
4.	Number of Complaints remaining unresolved at the end of the year	NIL

#### iv. Compliance Officer

Mr.Pravin Mishra is the Company Secretary & Compliance Officer of the Company as per Regulation 6(1) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 w.e.f. April 20, 2017.

### III. REMUNERATION OF DIRECTORS

#### i. Details of Sitting Fees paid:

The Non-Executive and Independent Directors are paid sitting fees for each meeting of the Board and the Committee thereof which is decided by the Board and are within the limits as prescribed under Companies Act, 2013. Apart from payment of Sitting Fees for attending the Meetings of the Board of Directors and /or Committee thereof, no other remuneration is paid to Independent/Non-executive Directors of the Company.

Name of Director	Sitting Fees (Rs.)
Ms. Pooja Bhardwaj	30,000
Mr. Manish Kumar Gupta	30,000
Ms.Parul Gulati	30,000
Mrs. Babita Joshi	7,500
Mrs. Sheela Sawdekar	5,000

#### ii. Pecuniary transactions with Non-Executive Directors

During the year under review, there were no pecuniary transactions with any of the Non-Executive Director of the Company.A declaration to this effect is also submitted by all the

Directors at the beginning of each financial year. The register of Contracts is maintained by the Company under section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

### iii. Criteria of Making Payments

Non-Executive Directors of the Company are paid sitting fees for attending Board and Committee Meetings and no Commission is drawn by either of them during the year under review.

### iv. Disclosures regarding remuneration to Executive Directors

In 2018-19, the Company did not advance any loans to any of the Executive and/or Non-Executive Directors. Remunerations paid to the Managing Director and Executive Directors are recommended first by the Committee, and then approved by the Board of Directors and thereafter by the members in General Meeting etc, as applicable.

The details of remuneration paid to the Executive directors are as follows:

Name of Director	Salary (Rs.)
Mr. Tilokchand Kothari*	NIL

#### \*Benefits to Mr. Tilokchand Kothari

- Leave travel concession for self and family once in a year;
- Chauffer driven car;
- Reimbursement of actual medical expenses incurred in India or abroad for self and family including hospitalization expenses, treatment expenses and in case of medical treatment abroad, the air fare, boarding/lodging, travel, etc., for self and family and attendant;
- Medical/Personal accident/ Travel insurance: Actual premium to be paid by the Company for self & family;
- Free telephone facility at residence including mobile phone & other suitable communication facilities;
- Re-imburement of salary paid to household maids/servants upto two numbers and not beyond that.

**v. Other Disclosures**

Your Company has not granted any Stock options to any of its directors & has no Stock option plans for the directors hence, it does not form a part of the remuneration package payable to any Executive and/or Non-Executive Director. During the year under review, none of the directors was paid any performance-linked incentive. No pension is paid or payable to any of the Director of the Company during the year.

Also, the Remuneration Policy, inter alia, disclosing criteria of making payments to Directors, Key Managerial Personnel and employees is placed on the Company's website [www.visagarpolytex.in](http://www.visagarpolytex.in).

**IV. PERFORMANCE EVALUATION**

Pursuant to the provisions of Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of all the Committees of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**V. SEPARATE MEETING OF INDEPENDENT DIRECTORS**

During the year under review, a separate meeting of Independent Directors was held on February 14, 2019, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and necessarily perform its duties.

All the Independent Directors of the Company were present at the meeting.

## **VI. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct.

The Whistle Blower Policy and Vigil Mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy of the Company is also posted on the website of the Company - <http://vpl.visagar.com/attachments/WhistleblowerVigilPolicy.pdf>.

## **VII. RISK MANAGEMENT**

Your Company is not required to form a Risk Management Committee. However, it has procedures to inform Board of Directors about risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through the means of properly defined framework. Your Company had framed a policy which can be viewed on the website of the Company - [www.visagarpolytex.in](http://www.visagarpolytex.in) in the "Investors Section".

## VIII. GENERAL BODY MEETINGS:

### a) Annual General Meeting

The details of last three (3) Annual General Meetings and the Special resolution passed thereat are given below:

Financial Year	Day & Date	Venue	Time
2017-18	Saturday, September 29, 2018	Nadiadwala Market (Hall), Opp. Laxmi Narayan Shopping Centre, Poddar Road, Malad (East), Mumbai-400097	10.30 a.m.
2016-17	Saturday, September 30, 2017	1008/1009, Gold Crest Business Centre, L T Road, Borivali – West, Mumbai – 400 092	10.30 a.m.
2015-16	Friday, September 30, 2016	1008/1009, Gold Crest Business Centre, L T Road, Borivali – West, Mumbai – 400 092	11.00 a.m.

### Special Resolution passed:

Details of the Special Resolutions passed at the last three (3) AGMs:

Date of AGM	No. of special resolutions passed	Details of Resolution passed
September 29, 2018	1	Ratification of the disclosure of ultimate beneficiaries of the allottees of Equity shares having face value of Re. 1/- each to be issued on conversion of warrants issued pursuant to Preferential issue (“convertible warrants”), before seeking the Listing approval.
September 30, 2017	--	There was no matter that required passing of Special Resolution.
September 30, 2016	--	There was no matter that required passing of

	Special Resolution.
--	---------------------

### Resolution passed through Postal Ballot:

During the year under review, no resolution was required to be passed through Postal Ballot. Hence, no postal Ballot was conducted.

## IX. MEANS OF COMMUNICATION

### i. Publication of Quarterly, Half yearly and Annual Financial Results

Quarterly, Half-yearly and Annual Financial results of the Company are normally published in one English daily newspaper circulated all over India/substantially all over India, viz. Active Times and in one Marathi daily newspaper having regional circulation, viz. Mumbai Lakshadeep.

### ii. Website & News Release

In compliance with Regulation 46 of the SEBI Listing Regulations, 2015 a separate dedicated section under 'Investors Desk' is available on the Company's website i.e. [www.visagarpolytex.in](http://www.visagarpolytex.in) that gives information on various announcements made by the Company, Annual Report, Quarterly/Half yearly/ Nine-months and Annual financial results along with the applicable policies of the Company shortly after its submission to the Stock Exchange.

### iii. Stock Exchange

Your Company makes timely disclosures of necessary information to National Stock Exchange of India Limited and BSE Limited in terms of the Listing Regulations and other rules and regulations issued by the SEBI.

### iv. Corporate Compliance & the Listing Centre

The Company files its financial results and other submission on the Electronic filing system, i.e., Listing Centre of BSE and NEAPS of NSE. The same is also available on the website of BSE and NSE.

### v. Whether it also displays official news releases :

No, as no official news release was made during the year.

### vi. The presentations made to institutional investors or to the analysts :



Nil. During the year, no presentation was made to institutional investor or analysts.

## X. GENERAL SHAREHOLDERS INFORMATION:

### 1. Annual General Meeting for the financial year 2018-19

<b>Date</b>	: September 30, 2019
<b>Venue</b>	: 2 <sup>nd</sup> Floor, CKP Hall, Tejpal Scheme Rd 4, Udyan Vikas Society, Vile Parle East, Vile Parle, Mumbai-400057, Maharashtra.
<b>Time</b>	: 10.00 a.m.
<b>Book Closure dates</b>	: September 24, 2019 to September 30, 2019 (Both Days Inclusive)

### 2. Calendar of financial year ended 31<sup>st</sup> March, 2019

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results during the financial year ended 31<sup>st</sup> March, 2019 were held on the following dates:

<b>First Quarter Results</b>	: August 13, 2018
<b>Second Quarter and Half yearly Results</b>	: November 14, 2018
<b>Third Quarter Results</b>	: February 14, 2019
<b>Fourth Quarter and Annual Results</b>	: May 30, 2019

### 3. Tentative Calendar for financial year ending March 31, 2019

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31<sup>st</sup> March, 2019 are as follows:

<b>First Quarter Results</b>	: August 13, 2019
<b>Second Quarter and Half yearly Results</b>	: November 13, 2019
<b>Third Quarter Results</b>	: February 14, 2020
<b>Fourth Quarter and Annual Results</b>	: May 30, 2020

<b>4. Corporate Identification Number (CIN)</b>	: L65990MH1983PLC030215
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5. **Listing on Stock Exchange** : **The National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1, G Block,  
BandraKurla Complex,  
Bandra (E), Mumbai – 400 051  
**Scrip Symbol: VIVIDHA**
- BSE Limited, Mumbai**  
PhirozeJeejeebhoy Towers  
Dalal Street, Mumbai- 400001  
**Scrip Code: 506146**
6. **ISIN** : INE370E01029
7. **Registered Office / Address for correspondence** : 907/908, Dev Plaza, Opp. Andheri Fire Station,  
S.V. Road, Andheri (West), Mumbai – 400058.  
Tel : 022- 67424815
8. **Plant Location** : The Company has a Manufacturing Unit at  
**a.)**359/360/361/362, Anjani Industrial  
Estate, Vibhaag-3, Gothan, Olpad, Surat –  
394130
9. **Registrar and Share Transfer Agent** : **Adroit Corporate Services (P) Ltd.**  
19/20,Jafferbhoy Industrial Estate, 1<sup>st</sup>floor,  
MakwanaRoad,Marol Naka, Andheri (East),  
Mumbai – 400 059.  
Tel.No. 42270427/42270423  
Email id: info@adroitcorporate.com  
Website [www.adroitcorporate.com](http://www.adroitcorporate.com)  
Contact Person: **Mr.Praful Shah**

**Share Transfer System:**

Share certificates received for transfer in physical form and requests for Demat are generally registered / confirmed within 15 days of receipt of the same, provided documents are clear in all respects. A summary of transfers/ transmission of securities of the Company from the Registrar and Transfer Agent are placed before every Stakeholder's Relationship Committee Meeting.

**Outstanding GDRs/ADRs/Warrants or any convertible instruments:**

The Company has not issued any GDR/ADR/Warrants etc.

**Dematerialisation of Shares and Liquidity**

As on March 31, 2019, out of the total Equity Shares issued by the Company, 26,91,36,028 (91.95%) stands in de-materialised form and the remaining 2,35,64,506 (8.05%) Equity Shares are held in physical form.

**XI. MARKET PRICE DATA**

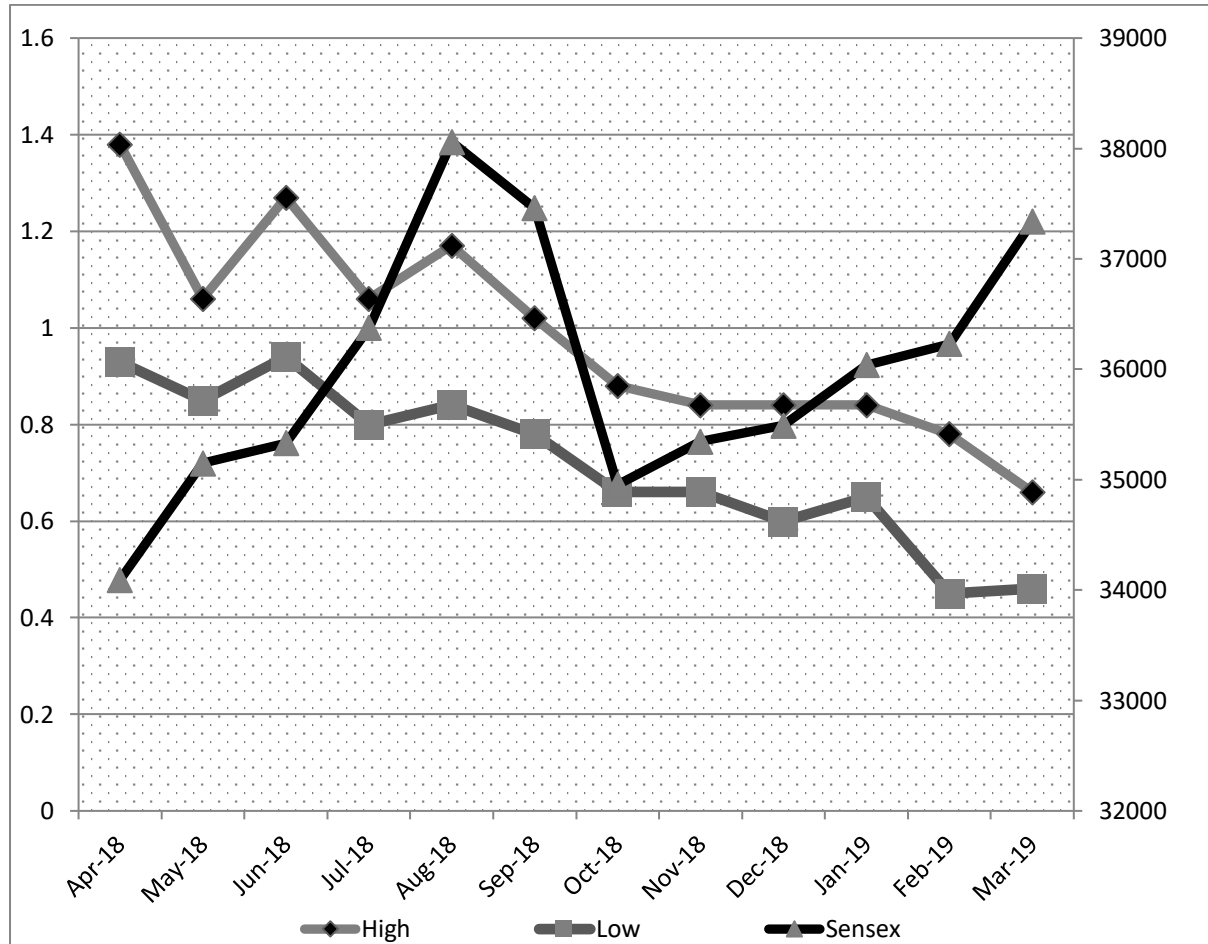
The details of monthly highest and lowest closing quotations of the Company's Equity Shares on National Stock Exchange of India Limited (NSE or Nifty 50) & BSE Ltd (BSE) during the financial year 2018-19 are as under:

**BSE Market Price Data:** High Low during each month for the year ended March 31, 2019:

Month	Share Price		Sensex Points	
	High	Low	High	Low
Apr-18	1.38	0.93	35,213.30	32,972.56
May-18	1.06	0.85	35,993.53	34,302.89
Jun-18	1.27	0.94	35,877.41	34,784.68
Jul-18	1.06	0.80	37,644.59	35,106.57
Aug-18	1.17	0.84	38,989.65	37,128.99
Sep-18	1.02	0.78	38,934.35	35,985.63
Oct-18	0.88	0.66	36,616.64	33,291.58
Nov-18	0.84	0.66	36,389.22	34,303.38
Dec-18	0.84	0.60	36,554.99	34,426.29
Jan-19	0.84	0.65	36,701.03	35,375.51

Feb-19	0.78	0.45	37,172.18	35,287.16
Mar-19	0.66	0.46	38,748.54	35,926.94

**STOCK PERFORMANCE RELATIVE TO BSE SENSEX INDEX**

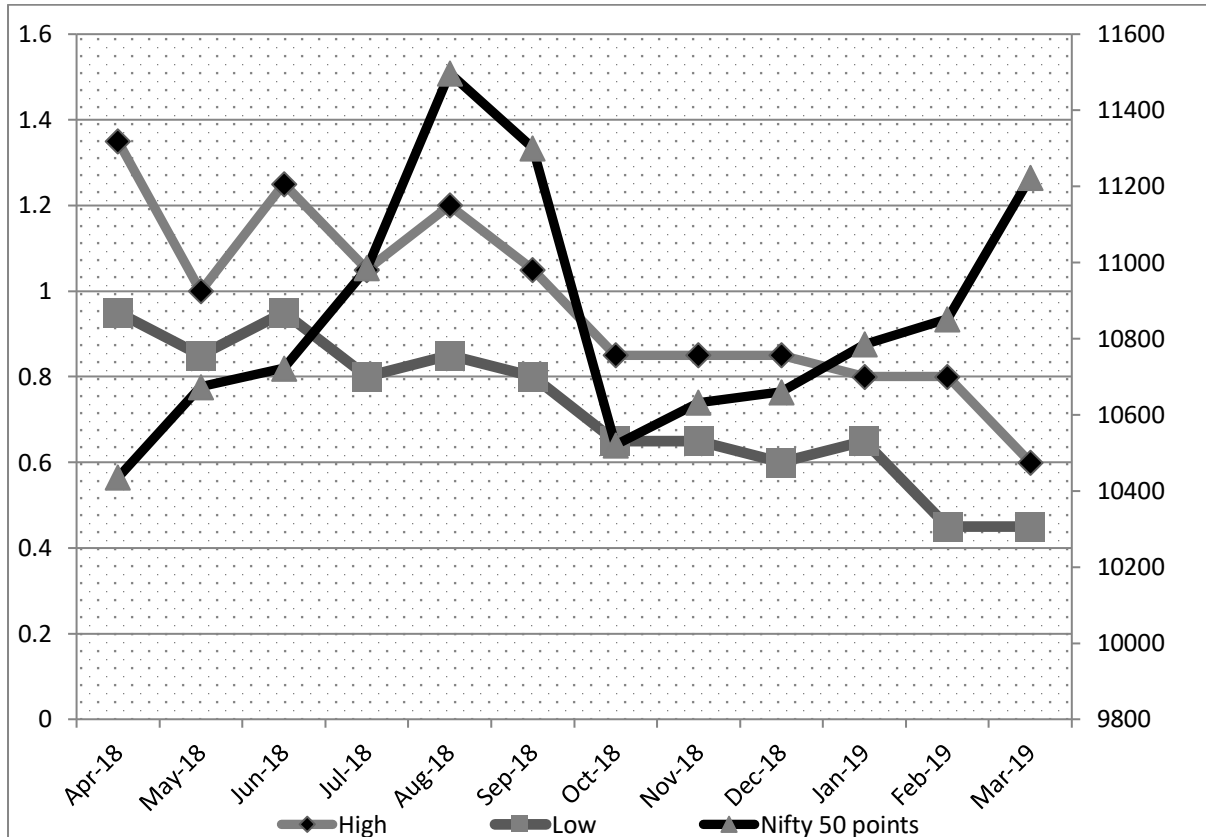


Source: This information is compiled from the data available from the website of BSE.

**NSE Market Price Data:** High Low during each month for the year ended March 31, 2019:

Month	Share Price on NSE		NSE Nifty 50	
	High	Low	High	Low
Apr-18	1.35	0.95	10759	10111.3
May-18	1.00	0.85	10929.2	10417.8
Jun-18	1.25	0.95	10893.25	10550.9
Jul-18	1.05	0.80	11366	10604.65
Aug-18	1.20	0.85	11760.2	11234.95
Sep-18	1.05	0.80	11751.8	10850.3
Oct-18	0.85	0.65	11035.65	10004.55
Nov-18	0.85	0.65	10922.45	10341.9
Dec-18	0.85	0.60	10985.15	10333.85
Jan-19	0.80	0.65	10987.45	10583.65
Feb-19	0.80	0.45	11118.1	10585.65
Mar-19	0.60	0.45	11630.35	10817

**STOCK PERFORMANCE RELATIVE TO NIFTY 50**



Source: This information is compiled from the data available from the website of NSE.

**Distribution of holding as on March 31, 2019:**

No. of Equity Shares held	No of Holders	% of Holders	No. of Shares	Amount (Rs.)	% of Shares
Upto 500	14179	77.19	18147737	18147737.00	6.20
501-1000	1743	9.49	14305439	14305439.00	4.89
1001-2000	1051	5.72	15650792	15650792.00	5.35
2001-3000	420	2.29	10857451	10857451.00	3.71
3001-4000	189	1.03	6750275	6750275.00	2.31
4001-5000	190	1.03	9042944	9042944.00	3.09
5001-10000	323	1.76	23920867	23920867.00	8.17
10001 & Above	273	1.49	194025029	194025029.00	66.29
<b>Total</b>	<b>18368</b>	<b>100.00</b>	<b>292700534</b>	<b>292700534.00</b>	<b>100.00</b>

**Categories of Shareholding as on March 31, 2019:**

Sr. No.	Category	No. of Shares held	% of Shareholding
<b>A</b>	<b>Promoter's Holding (including persons acting in concert)</b>	73539192	25.12
<b>B</b>	<b>Non-Promoters Holding</b>		
1.	Mutual Funds and UTI	--	--
2.	Banking, Financial Institutions/Insurance Companies (Central/State Govt. Institutions Non-government Institutions)	90000	0.03
3.	FII's	--	--
<b>C</b>	<b>Others</b>		
1.	Corporate Bodies	41764815	14.27
2.	Indian Public	169797958	58.01
3.	NRIs/OCBs	7370283	2.52
4.	Clearing Member	138286	0.05
	<b>Total</b>	<b>292700534</b>	<b>100</b>

## **XII. OTHER DISCLOSURES**

### **Code of Conduct**

Regulation 17(5) of the SEBI Listing Regulations, 2015 requires listed Companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. Your Company has adopted and laid down a code of conduct for all Board members and Senior Management of the company pursuant to Clause 49 of the erstwhile listing agreement. The code of conduct is available on the website of the company i.e. <http://vpl.visagar.com/attachments/codeofconduct.pdf>. All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by the Managing Director is given in this Annual Report.

### **Materially significant related party transactions which may have potential conflict with the interests of the Company at large**

All transactions entered into with Related Parties as defined under The Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on an arms' length pricing basis and do not attract the provisions of Section 188 of The Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to accounts attached to the Stand-Alone Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website under the link <http://vpl.visagar.com/attachments/policyrtp.pdf>.

### **Details of non-compliances, penalties, structures imposed on the Company by Stock Exchange/ SEBI/Statutory Authorities on any matter related to Capital Markets during last three years:**

The Company has complied with the requirements of the Stock Exchanges/SEBI/and other Statutory Authorities on all matters related to Capital Markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities.



**Whistle Blower Policy**

Pursuant to section 177(9) of the Companies Act, 2013 and Clause 49 of the erstwhile listing agreement (now corresponding to Regulation 22 of the SEBI Listing Regulations, 2015), the Board at its meeting have approved and adopted the Whistle Blower Policy. The same can be viewed on the Company's website viz. <http://vpl.visagar.com/attachments/WhistleblowerVigilPolicy.pdf>. Your Company further affirms that no person shall be denied access to the Audit Committee.

**Subsidiary Companies**

The Company does not have any subsidiary Company during the Year under review.

**Reconciliation of Share Capital Audit**

As stipulated by Securities and Exchange Board of India (SEBI), Mrs. Priyanka Lahoti, practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to Stock Exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

**Insider Trading**

The Company has adopted a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. The policy lays down procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of the consequences of violations.

- a) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, the web link of which is <http://vpl.visagar.com/attachments/codeupsi.pdf>; and
- b) Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, the web link of which is <http://vpl.visagar.com/attachments/codei.pdf>.

**Disclosures of Accounting Treatment in preparation of Financial Statements**

The Company has followed the Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI), in preparation of its Financial Statements.

### Proceeds from Public Issues, Rights Issue, Preferential Issue etc.

During the year 2017-18, the Company had issued 9,00,00,000 (Nine Crores) Convertible Warrants of Re. 1/- (Rupees One Only) each on preferential basis at an issue price of Rs. 1.12/- each. On 28<sup>th</sup> December, 2018 the Company has converted 2,35,00,000 (Two Crores Thirty five Lakhs) warrants into Equity shares of Re. 1/- (Rupee One Only) each and on 16<sup>th</sup> February, 2019 the Company has converted 2,30,00,000 (Two Crores Thirty Lakhs) warrants into Equity shares of Re. 1/- (Rupee One Only) each.

EVENT	DATE	AMOUNT RECEIVED
Allotment of warrants	14.03.2018	Rs. 2,52,00,000/- (9,00,00,000*Rs. 1.12/-*25%)
Conversion of 2,35,00,000 warrants	28.12.2018	Rs. 1,97,40,000/- (2,35,00,000*Rs. 1.12/-*75%)
Conversion of 2,30,00,000 warrants	16.02.2019	Rs. 1,93,20,000/- (2,30,00,000*Rs. 1.12/-*75%)

The Company has not raised any Money through Public Issue and Rights Issue, during the said period.

### Disclosure of material transactions

Under regulation 26(5) of SEBI Listing Regulations, 2015, Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. None of the independent directors have any material pecuniary relationship or transactions with its Promoters, its Directors, its senior management or its subsidiaries which may affect their independence and have received a declaration from them to this effect.

### **XIII. COMPLIANCE OF MANDATORY AND NON- MANDATORY REQUIREMENTS**

#### **Mandatory**

The Company has generally complied with all the mandatory requirements as stipulated under Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to the Company.

#### **Discretionary**

##### **i) Shareholder Rights:**

As the Company's quarterly/half yearly/yearly results are published in English newspapers having circulation all over India and in Marathi newspapers widely circulated in Maharashtra, the same are not sent to each household of shareholders.

##### **ii) Audit Qualifications:**

There is no audit qualification in the Company's financial statements for the year ended on March 31, 2019. The Company continues to adopt best practices to ensure the regime of unqualified financial statements.

##### **iii) Reporting of Internal Auditor:**

M/s. Lakhpat M Trivedi & Co., Chartered Accountants, Mumbai (Registration No. 109047) was appointed as Internal Auditor of the Company for the FY 2018-2019 and the Internal Audit Report prepared by them was placed before the Audit Committee.

##### **iv) Separate Posts of Chairperson and Chief Executive officer**

Presently Mr. Tilokchand Kothari is the Chairman and Managing Director of the Company and the same has been authorized by the Articles of Association of the Company.

### **XIV. MANAGEMENT DISCUSSION AND ANALYSIS**

A statement of Management Discussion and Analysis is appearing elsewhere in this Annual Report in terms of the requirement of the Code of Corporate Governance.

### **XV. COMPLIANCE CERTIFICATE**

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part B of Schedule II to the SEBI Listing Regulations, 2015.

**XVI. UNCLAIMED SHARES**

At present, the Company does not have any unclaimed shares, hence there has been no transfer made to the unclaimed suspense account.

**XVII. DETAILS OF NON-COMPLIANCE, IF ANY**

There was no Non-Compliance performed by the Company of any of its legal requirements; nor has there been any penalty/stricture imposed on the Company by any Stock Exchange, SEBI or any statutory authority on any matter related to capital markets during the last three years.

**By Order of the Board of Directors  
For VisagarPolytex Limited**

Sd/-  
**(Tilokchand Kothari)**  
**Managing Director**  
**(DIN: 00413627)**

**Place: Mumbai**  
**Date: 30.05.2019**

**DECLARATION BY THE MANAGING DIRECTOR REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT**

To,  
The Members of Visagar Polytex Limited

In accordance with Clause D of Schedule V of the SEBI (LODR) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel including me, have affirmed compliance to their respective Codes of Conduct, as applicable for the financial year ended March 31, 2019.

**For Visagar Polytex Limited**

**Sd/-**  
**(Tilokchand Kothari)**  
**Managing Director**  
**(DIN: 00413627)**

**Place: Mumbai**  
**Date:30.05.2019**

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**INDEPENDENT AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CORPORATE GOVERNANCE**

The Members

**VISAGAR POLYTEX LIMITED**

We have examined the compliance of conditions of Corporate Governance by Visagar Polytex Limited ("the Company"), for the year ended 31<sup>st</sup> March, 2019 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

**For S.C.Mehra & Associates LLP**  
Chartered Accountants  
**FRN-106156W/W100305**

**Place : Mumbai**  
**Date :30.05.2019**

Sd/-  
**(CA S C Mehra)**  
Partner  
M. No: 039730

**MD/CFO CERTIFICATION**

To,  
The Board of Directors,  
**VisagarPolytex Limited**

We hereby certify the following as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that:

- 1) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2019 and that to the best of our knowledge and belief :
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal controls systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) we further certify that:
  - a. there have been no significant changes in internal control over financial reporting during the period under review;
  - b. there have been no significant changes in accounting policies made during the period and that the same have been disclosed in the notes to the financial statements; and

- c. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over Financial Reporting.

**Place: Mumbai**  
**Date: 30.05.2019**

Sd/-  
**(Sachin Mehta)**  
**Chief Financial Officer**

Sd/-  
**(Tilokchand Kothari)**  
**Managing Director**  
**(DIN: 00413627)**



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Disclaimer**

Statements made in the Management Discussion and Analysis and relating to company's objectives, projections, outlook, expectations, estimates, etc., may constitute forward looking statements within the meaning of applicable securities, laws and regulations. These statements are based on certain assumptions, which cannot be guaranteed by the Company. Several factors, over which the Company may not have any direct control, could make a significant difference to the company's operations. As such, actual results may differ materially from such projections, whether expressed or implied, since it would be beyond Company's ability to successfully implement our growth strategy. The Company undertakes no obligation or responsibility to update forward looking statements and to publicly amend, modify or revise to reflect events or circumstances after the date thereof on the basis of any subsequent development, information or events.

The management of Visagar Polytex Limited presents below its analysis on the performance of your Company during the year under review, i.e. accounting year end 31<sup>st</sup> March, 2019.

### **Economic Overview with specific reference to Textile Industry**

India is the second largest textile manufacturer in the world. The Indian textile industry is a global leader thanks to the economic liberalization. Though it used to come under unorganized sector few years back, the scenario has changed and a large part of the industry is now in the organized sector. Increased penetration of organised retail, favourable demographics and rising income levels to drive textile demand are contributing to the sector's growth. The Indian textile industry is one the largest and oldest sectors in the country and among the most important in the economy in terms of output, investment and employment. Contributing a hefty 14% to the country's Industrial production and 4% to the country's Gross Domestic Product (GDP) the segment also accounts for 13% of India's export earnings thus being the second largest provider of employment after agriculture in the country. The textile industry employs about 40 million workers and 60 million indirectly. Textile and apparel exports from India is estimated US\$ 65 billion and is expected to increase to US\$ 82 billion by 2021 fuelled by favourable trade policies in future and superior quality from technological absorption. The domestic textile and apparel industry in India is estimated to reach US\$ 141 billion by 2021.

## Overview of the Sector & Business

The domestic market for apparel and lifestyle products, currently estimated at \$85 billion, is expected to reach \$160 billion by 2025. While men's apparel currently dominates the space, it is the women's apparel category that is set to grow at a faster rate and will equal the men's wear segment this year. "The fashion and lifestyle segment is witnessing a paradigm shift with women's apparel expected to match men's apparel at par in terms of 37% market share each in 2016. Keeping this trend in mind, the organised retailers need to pay more attention to women consumers as India is one of the few countries where the share of men's apparel is higher than that of women's and that is changing. The current Indian ethnic wear market is highly unorganized with a few branded players operating primarily in metropolitan cities. The Saree, Salwar Suit and Lehenga market occupy a major chunk of women apparel sales in the country.

Your Company is into textile manufacturing, trading, wholesaling and retailing activities comprising of a number of independent as well as interdependent verticals viz. Ethnic wear (Saree/ Lehanga) wholesale, Ethnic wear (Saree/ Lehanga/ Suits) Manufacturing, Garment Manufacturing, Retailing (own/franchise) and Contract-based manufacturing. Your Company has a retail chain retailing designer saree under its flagship brand Vividha, in addition to its comprehensive manufacturing and sales facilities at Surat & Gurgaon.

## Manufacturing Focus

During the year under review, your Company has concentrated on its core manufacturing activities for value addition to fabrics & apparels, training of staff for special purpose embroideries, expanding client outreach by marketing efforts, adopting industry standard practices and putting Quality systems in place.

## Financial Overview

Your Company has seen a decrease in turnover during the year under review which accounted for Rs. 5382.57 Lakhs as compared to Rs 8226.96 Lakhs in FY 2017-18. The Net Profit has also decreased from Rs. 140.92 Lakhs in FY 2017-18 to Rs. 16.35 Lakhs in FY 2018-19. Your Company is very much optimistic about the coming year. Since the Company is trying to reduce cost and expand its business, your Directors are hopeful that the results will be more encouraging.

### **Factors that may affect the results of operations**

Several factors may affect our result of operations that may make it difficult to predict the future financial results. Such factors are:

- Movement in Price of Fabric
- Operating cost & Efficiency
- Product and Market Mix
- Exchange Rates
- Government policies, rules and regulations affecting textile industries
- Availability of Government Benefits & Subsidies
- Ability to organise funds for projects
- Availability of skilled human forces
- Competition
- Break down of machinery or plant
- Disrupted power supply from state electricity board
- Strike by labourers
- Development / Innovation / Emergence of any substitute for our products
- Natural Calamities & Disasters and other unforeseen/ unavoidable circumstances

### **Development, Expansion & Future Outlook**

Your Company will continue to invest wherever it seems an opportunity to get healthy sustainable results. Our performance largely depends on the Textile market. Your Company is concentrating at further streamlining its current business activities which will allow for greater operational efficiency in future. Providing quality products at a great value has always been our endeavour. Your Company will take this endeavour a notch upwards by enhancing its business activities. Your Company is in process to continuously upgrade its state-of-art manufacturing unit at Gothan, Surat to produce designer, value added Garments, Apparels, Embroidery Sarees, Lehengas& Suits using latest technology and employing resources in best possible manner. The Embroidery market is huge and dominated by small unorganized players in view of lower entry barriers, offering a corporate player immense opportunity for innovation and improvisation. The Management is optimistic that your Company will soon be one of the key embroidery manufacturers in the Apparel segment. Our clients include stockists, wholesalers, semi-wholesalers, exporters, retailers and end-users of textile products. We would like to explore the overseas market in the near-term. Your Company's aim is to build up

knowledge, capital and human resources to specialize in designing, manufacturing value added Apparels facilitating constant revival of products in innovative ways that will enable success for us.

During the year under review, the Company has started sampling and sales division at Gurgaon, Haryana towards its apparels business and adopted best practices, optimised efficiency at its Surat manufacturing unit. Through skills training of staff, adoption of systems & practices, the Company will enjoy increased margins, complete product control, client satisfaction and become key player in this segment.

The Company has also focussed on new R&D areas such as Suits and Garments and aims to make a mark in the ethnic wear segment through its R&D capabilities.

### **Future plans and Outlook**

- Intensifying focus on R&D and production
- Leveraging resources to deliver innovative and successful product portfolio
- To bring in efficiency through consistent and continuous improvement process throughout all the levels in the Organisation
- To develop a Customer Centric approach
- To develop a Strong Marketing Network and establishing solid client base in the country and overseas

### **Technology Absorption**

#### **Efforts made towards technology Absorption**

Your Company tries to stay abreast with latest technology in the market. Your Company has a mix of latest machinery with various value addition capabilities, all under single setup. During the year, there was no import of machinery by the Company.

#### **Benefits Derived**

Having machinery with different capabilities help your Company provide umbrella solution to its clients as they do not need to go anywhere else for any kind of value addition requirements. This helps retain clients and is beneficial in the long term.

### **Details of technology imported in last three years**

The Company has imported and consequently installed 22 multi-head embroidery machinery via High Seas Sale Agreement made in the FY 2015-16 amounting to Rs. 409.17 Lacs.

**By Order of the Board of Directors  
For Visagar Polytex Limited**

Sd/-  
**(Tilokchand Kothari)**  
**Managing Director**  
(DIN: 00413627)

Place: Mumbai  
Date: 30.05.2019

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
VisagarPolytex Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Visagar Polytex Limited** (“the Company”), which comprise the balance sheet as at 31st March, 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

#### 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 audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of

Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no matters to be key financial matter to be communicated in our report.

### **Responsibilities of Management for the Financial Statements**

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

### **Going Concern**

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 risk of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether has adequate internal financial controls systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a



material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief 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) Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The Company has to transfer Rs. 2,62,675/-, which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

For S C Mehra& Associates LLP  
Chartered Accountants  
FRN : 106156W/W100305

CA S C Mehra  
Partner  
Membership No. 039730

Place : Mumbai  
Date: May 30, 2019

## **Annexure “A” to the Auditors’ Report**

**Referred to in Paragraph 1(g) under the heading of “Report on other Legal and Regulatory Requirements” of our report to the members of Visagar Polytex Limited of even date**

### **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 **VisagarPolytex Limited** (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1.pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2.provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors

of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

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

For S C Mehra & Associates LLP  
Chartered Accountants  
FRN : 106156W/W100305

CA S C Mehra  
Partner  
Membership No. 039730

Place : Mumbai  
Date: May 30, 2019

**ANNEXURE “B” TO INDEPENDENT AUDITORS’ REPORT****Referred to in Paragraph 2 under the heading of “Report on other Legal and Regulatory Requirements” of our report to the members of Visagar Polytex Limited of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we report that: -

- i. In respect of companies fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c) According to the information and explanations given to us, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- ii.
  - a) As explained to us, management has conducted physical verification of inventory at regular intervals during the year.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management were reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clauses 3(iii) (a), (b) and (c) of the order are not applicable to the Company.

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investment and providing guarantees and securities, as applicable.
- v. According to information and explanations given to us, the company has not accepted deposits, hence directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, is not applicable. We are informed by the management that no order has been passed by the Company Law Board (CLB), National Company Law Tribunal (NCLT) or Reserve Bank of India (RBI) or any Court or any other Tribunal.
- vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the companies Act, 2013 for the business activities carried out by the company, thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii.
- a) According to information and explanations given to us, the Company has been generally not regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess, Professional Tax and other material statutory dues applicable to it with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess, Professional Tax and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable except
- c)



Name of Statute	Nature of the dues	Amount (in Rs.)	Period to which the amount relates
Income Tax Act	TDS	7,200/-	F.Y. 12-13
Income Tax Act	TDS	39,001/-	F.Y. 13-14
Income Tax Act	TDS	37,154/-	F.Y. 14-15
Income Tax Act	TDS	700/-	F.Y. 17-18
Income Tax Act	TDS	95,824/-	F.Y. 18-19

viii. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings from banks and debenture holders. The Company has not taken any loans from Government or any Financial Institution.

ix. Based on audit procedure and on the basis of information and explanation given by the management, we are of the opinion that money raised by Company by way of term loan has been applied for the purpose for which they were raised. The Company did not raise any money by way of Initial Public offer or further public offer.

- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the company has not paid / provided any managerial remuneration, Therefore, paragraph 3(xi) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. During the year 2017-18, the Company had issued 9,00,00,000 (Nine Crores) Convertible Warrants of Re. 1/- (Rupees One Only) each on preferential basis at an issue price of Rs. 1.12/- each. On 28<sup>th</sup> December, 2018 the Company has converted 2,35,00,000 (Two Crores Thirty five Lakhs) warrants into Equity shares of Re. 1/- (Rupee One Only) each and on 16<sup>th</sup> February, 2019 the Company has converted 2,30,00,000 (Two Crores Thirty Lakhs) warrants into Equity shares of Re. 1/- (Rupee One Only) each. The requirement of Section 42 of Companies Act, 2013 have been complied with and the amount raised has been used for the purpose for which the funds were raised.
- xv. In Our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S C Mehra & Associates LLP  
Chartered Accountants  
FRN : 106156W/W100305

CA S C Mehra  
Partner  
Membership No. 039730

Place : Mumbai  
Date: May 30, 2019

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2019**

	Notes	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, Plant and Equipment	2	62,882,935	70,385,217
Capital work in Progress			
Investment Properties			
Goodwill		-	-
Other Intangible Assets	3	19,087	11,945
Intangible assets under development		-	-
Investments accounted for using the equity Method			
Financial Assets			
i) Investments	4	<b>1,386,510</b>	1,586,510
ii) Loans	5	<b>8,596,515</b>	14,638,791
iii) Other Financial Assets	6	<b>2,075,395</b>	5,243,274
Deferred Tax Assets	7	1,272,886	1,272,886
Other non-current assets	8	-	-
<b>Total non-current assets</b>		<b>76,233,328</b>	<b>93,138,623</b>
<b>Current Assets</b>			

Inventories	9	258,913,352	246,381,527
Financial Assets			
i) Investments			
ii) Trade Receivables	10	242,360,569	312,862,830
iii) Cash and Cash equivalents	11	3,354,646	1,989,737
iv) Bank balance other than (iii) above			
v) Loans		-	-
vi) Other financial assets	12	908,219	908,219
Current Tax Assets	13	7,842,683	1,680,172
Other Current Assets	14	3,688,939	3,898,212
<b>Total current assets</b>		<b>517,068,408</b>	<b>567,720,697</b>
<b>TOTAL ASSETS</b>		<b>593,301,736</b>	<b>660,859,320</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	15	246,200,534	246,200,534
Other Equity	16	34,713,581	33,078,322
<b>Total Equity</b>		<b>280,914,115</b>	<b>279,278,856</b>
Convertible Share Warrant		64,260,000	25,200,000
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Financial liabilities			
i) Borrowings	17	8,703,068	21,392,694
ii) Other Financial Liabilities		-	-
Provisions			

			-	-
	Employee benefit obligations		-	-
	Deferred Tax Liabilities		-	-
	Government grants		-	-
	Other non-current liabilities	18	-	-
	<b>Total non-current liabilities</b>		<b>8,703,068</b>	<b>21,392,694</b>
	<b>Current Liabilities</b>			
	Financial Liabilities			
	i) Borrowings	19	88,173,670	92,327,483
	ii) Trade Payables	20	<b>145,949,623</b>	234,514,957
	iii) Other Financial Liabilities		-	-
	Provisions		-	-
	Employee benefits obligations		-	-
	Government grants		-	-
	Current tax liabilities	21	<b>2,325,781</b>	3,503,337.00
	Other Current Liabilities	22	<b>2,975,479</b>	4,641,993
	<b>Total current liabilities</b>		<b>239,424,553</b>	<b>334,987,770</b>
	<b>TOTAL LIABILITIES</b>		<b>248127621</b>	<b>356380464</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>593,301,736</b>	<b>660,859,320</b>

**For S C Mehra & Associates LLP**

Chartered Accountants

**Firm Registration No. 106156W/ W100305**

**Sd/-**

**(CA S C Mehra)**

Partner

M. No: 039730

Place : **Mumbai**

Date : 30.05.2019

**For Visagar Polytex Limited**

**Sd/-**

**(Tilokchand Kothari)**

Managing Director

DIN: 00413627

**Sd/-**

**(KanwarlalRathi)**

Director

DIN: 06441986

**Sd/-**

**(Sachin Mehta)**

Chief Financial Officer

**Sd/-**

**(Pravin Mishra)**

Company Secretary

**Statement of Profit and Loss Account for the year ended March 31, 2019**

(Amount in  
Rs.)

	Notes	2018-19	2017-18
<b>Income</b>			
Revenue from Operations	23	538,257,079	822,695,829
Other Income	24	763,057	339,736
<b>Total Income</b>		<b>539,020,136</b>	<b>823,035,565</b>
<b>Expense</b>			
Purchases of Stock-In-Trade	25	513,006,865	748,441,468
Change In Inventories of Stock In Trade	26	(12,532,812)	6,804,987
Employees Benefit Expenses	27	7,314,801	10,297,720
Finance Cost	28	12,957,772	14,097,093
Depreciation and Amortisation Expense	2 & 3	<b>8,684,856</b>	10,011,156
Other Expenses	29	7,403,395	16,291,530
<b>Total Expenses</b>		<b>536,834,877</b>	<b>805,943,954</b>
<b>Profit / (Loss) Before Tax</b>		<b>2,185,259</b>	<b>17,091,611</b>
<b>Tax expense</b>			



Current Tax		550,000	3,000,000
Deferred Tax		-	-
<b>Profit / (Loss) for the period</b>		1,635,259	14,091,611
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income / (Loss) for the period</b>		<b>1,635,259</b>	<b>14,091,611</b>
Earnings per equity share:	30		
Basic and Diluted		0.0066	0.0572
[Face Value Rs. 1 each]			
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of Financial Statements

As per our report of even date.

**For S C Mehra & Associates LLP**  
Chartered Accountants  
**Firm Registration No. 106156W/ W100305**

Sd/-  
**(CA S C Mehra)**  
Partner  
M. No: 039730

Place : Mumbai  
Date : 30.05.2019

**For Visagar Polytex Limited**

Sd/- Sd/-  
**(Tilokchand Kothari) (KanwarlalRathi)**  
Managing Director Director  
DIN: 00413627 DIN: 06441986

Sd/- Sd/-  
**(Sachin Mehta) (Pravin Mishra)**  
Chief Financial Officer Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2019

PARTICULARS		2018-19	2017-18
PROFIT BEFORE TAX		2,185,259	17,091,611
MISC INCOME			
DEPRECIATION		8,684,856	10,011,156
<b>OPERATING PROFIT BEFORE</b>		<b>10,870,115</b>	<b>27,102,767</b>
CHANGE IN WORKING CAPITAL		-	-
OTHER NON CURRENT INVESTMENTS		200,000	-
NON CURRENT FINANCIAL LOAN ASSETS		6,042,276	(8,554,551)
INVENTORIES		(12,531,825)	6,804,000
TRADE RECEIVABLE		70,502,261	(136,735,942)
CURRENT FINANCIAL LOAN ASSETS		3,167,879	-
OTHER CURRENT ASSETS		209,273	1,753,106
CURRENT TAX ASSETS		(6,162,511)	(500,000)
CURRENT FINANCIAL BORROWING		(16,843,439)	1,767,409
TRADE PAYABLES		(88,565,334)	106,573,190
OTHER FINANCIAL LIABILITIES		(1,177,556)	(217,747)
OTHER CURRENT LIABILITIES		(1,666,514)	(6,848,357)
<b>NET CHANGE IN WORKING CAPITAL</b>		<b>(35,955,375)</b>	<b>(8,856,125)</b>
INCOME TAX PAYABLE		(550,000)	(3,000,000)
CASH FLOW FROM OPERATING ACTIVITIES	<b>A</b>	(36,505,375)	(11,856,125)
PURCHASE OF PROPERTY PLANT AND EQUIPEMENT		(1,118,716)	(13,658,491)
CASH FLOW FROM INVESTING ACTIVITIES	<b>B</b>	(1,189,716)	(13,658,491)
CASH FLOW FROM FINANCING			

ACTIVITES			
PROCEEDS FORM ISSUE CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS.	<b>C</b>	39,060,000	25,200,000
	<b>A+B+C</b>	1,364,909	(314,616)
CASH OP.BALANCE		2,897,956	3,212,572
CASH CL. BALANCE		4,262,865	2,897,956
CASH & CASH AT THE END OF YEAR		1,364,909	(314,616)

**For S C Mehra & Associates LLP**  
Chartered Accountants  
**Firm Registration No. 106156W/ W100305**

**For Visagar Polytex Limited**

**Sd/-**  
**(CA S C Mehra)**  
Partner  
M. No: 039730

**Sd/-**  
**(Tilokchand Kothari)** **(KanwarlalRathi)**  
Managing Director      Director  
DIN: 00413627      DIN: 06441986

Place : Mumbai  
Date : 30.05.2019

**Sd/-**  
**(Sachin Mehta)**  
Chief Financial Officer

**Sd/-**  
**(Pravin Mishra)**  
Company Secretary

## 1 Significant Accounting Policies

### 1.1 Basis of Preparation

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

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

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2017 being the date of transition to Ind AS.

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

- a) Certain financial assets and liabilities that are measured at fair value;
- b) Assets held for sale-measured at lower of carrying amount or fair value less cost to sell;
- c) Defined benefit plans – plan assets measured at fair value;

### 1.2 Summary of Significant Accounting Policies

#### a) Current vs Non-Current Classification

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle

- Held primarily for the purpose of trading
- Expected to be realised within twelve months after reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle.
- Held primarily for the purpose of trading
- Due to be settled within twelve months after reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

## **b) Use of estimates and judgements**

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

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

## **c) Property, Plant & Equipment**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Property, plant & equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. In case of assets acquired in exchange for a non-monetary asset, the cost of such an item of property, plant and equipment is measured at fair value unless (a) the exchange transaction lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable. All other

repair and maintenance costs are recognised in profit or loss as incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An 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 included in the statement of profit or loss when the asset is derecognised.

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

#### **d) Depreciation on Property, Plant & Equipment**

Depreciation on Property, Plant & Equipment is calculated on a written down value (WDV) basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II to the Companies Act, 2013.

#### **e) Inventories**

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

#### **f) Revenue Recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

#### **g) Borrowing Cost**

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

#### **h) Employee Benefits**

Short term benefits and post employment benefits are accounted in the period during which the services have been rendered.

## **i) Taxation**

### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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.

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

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

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

## **j) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does

not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, are recognised in the statement of profit and loss.

### **k) Provisions**

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. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as part of finance costs.

### **l) Contingent Liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### **m) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### **n) Investments and other financial assets**

#### **(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) Those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms



of the cash flows.

## (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

### **Debt Instruments:**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

**Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

### **Equity instruments:**

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss.

## (iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

## o) 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 financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

### **Diluted earnings per shares**

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.

Note 2. Property, Plant and Equipment								(Amount in Rs.)
	Land & Building	Computer	Electric Equipment	Vehicle	Plant & Machinery	Furniture & Fixture	Office Equipment	Total
<b>Gross Carrying amount</b>								
<b>Deemed Cost as at 1st April, 2017</b>	38,642,327	1,591,864	96,350	8,809,529	71,383,158	13,196,679	1,539,952	135,259,859
Additions	-	119,943	224,550	43,415	12,668,670	558,453	43,460	13,658,491
Disposals	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2018</b>	38,642,327	1,711,807	320,900	8,852,944	84,051,828	13,755,132	1,583,412	148,918,350
Additions	836,513	29,438	3,365	-	10,500	243,179	47,219	1,170,214
Disposals	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2019</b>	<b>39,478,840</b>	<b>1,741,245</b>	<b>324,265</b>	<b>8,852,944</b>	<b>84,062,328</b>	<b>13,998,311</b>	<b>1,630,631</b>	<b>150,088,564</b>
<b>Accumulated Depreciation</b>								
Balance as at 1st April, 2017	14,979,932	1,531,328	75,120	6,107,746	34,062,395	10,363,736	1,409,454	68,529,712
Additions	2,247,927.00	57,349	63,632	857,326	5,833,962	878,032	65,193	10,003,422
Disposals	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2018</b>	<b>17,227,859</b>	<b>1,588,677</b>	<b>138,752</b>	<b>6,965,072</b>	<b>39,896,357</b>	<b>11,241,768</b>	<b>1,474,647</b>	<b>78,533,134</b>
Additions	2,113,843	58,707	51,523	589,582	5,089,592	713,669	55,582	8,672,498
Disposals	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-
<b>Balance as at</b>	<b>19,341,702</b>	<b>1,647,384</b>	<b>190,275</b>					

<b>31st March, 2019</b>				7,554,654	44,985,949	11,955,437	1,530,229	87,205,632
<b>Net carrying amount</b>								
<b>Balance as at 1st April, 2017</b>	23,662,395	60,536	21,230	2,701,783	37,320,763	2,832,943	130,498	66,730,147
<b>Balance as at 31st March, 2018</b>	21,414,468	123,130	182,148	1,887,872	44,155,471	2,513,364	108,765	70,385,217
<b>Balance as at 31st March, 2019</b>	20,137,138	93,861	133,990	1,298,290	39,076,379	2,042,874	100,402	62,882,935

## Notes to Financial Statements as at and for the year ended March 31, 2019

## Note 3. Intangible Assets

(Amount in Rs.)

	Computer Software	Total
<b>Gross Carrying amount</b>		
<b>Deemed Cost as at 1st April, 2017</b>	166,000	-
Additions	-	-
Disposals	-	-
Reclassification as held for sale	-	-
<b>Balance as at 31st March, 2018</b>	166,000	166,000
Additions	19,500	19,500
Disposals	-	-
Reclassification as held for sale	-	-
<b>Balance as at 31st March, 2019</b>	<b>185,500</b>	<b>185,500</b>
<b>Accumulated Depreciation</b>		
Balance as at 1st April, 2017	146,321	146,321
Additions	7,734	7,734
Disposals	-	-
Reclassification as held for sale	-	-
<b>Balance as at 31st March, 2018</b>	<b>154,055</b>	<b>154,055</b>
Additions	12,358	12,358
Disposals	-	-
Reclassification as held for sale	-	-
<b>Balance as at 31st March, 2019</b>		

	166,413	166,413
<b>Net carrying amount</b>		
<b>Balance as at 1st April, 2017</b>	<b>19,679</b>	<b>19,679</b>
<b>Balance as at 31st March, 2018</b>	<b>11,945</b>	<b>11,945</b>
<b>Balance as at 31st March, 2019</b>	<b>19,087</b>	<b>19,087</b>

(Amount in Rs.)

## Note 4. Investments

	As at 31.03.2019		As at 31.03.2018	
	No. of Shares/ Units	Amount (Rs.)	No. of Shares/ Units	Amount (Rs.)
<b>Investment in quoted Shares</b>				
Osiajee Housing Developers Limited	167000	1,336,000	192000	1,536,000
Brijlaxmi Leas & Fin Ltd	400	510	510	510
<b>Total (a)</b>		<b>1,336,510</b>		<b>1,536,510</b>
<b>Investment in Unquoted Shares</b>				
Share Application Money	0	25,000	2500	25,000
The Pratap Co Op Bank Limited	400	25000	400	25000
<b>Total (b)</b>		<b>50,000</b>		<b>50,000</b>
<b>Total (a+b)</b>		<b>1,386,510</b>		<b>1,586,510</b>

	As at 31.03.2019	As at 31.03.2018
<b>Note 5. Loans</b>		
(Unsecured, considered good)		
Loans	8,596,515	14,638,791
	<b>8,596,515</b>	<b>14,638,791</b>
<b>Note 6. Other Financial Assets</b>		
Deposit	2,075,395	5,243,274
	<b>2,075,395</b>	<b>5,243,274</b>
<b>Note 7. Deferred Tax Assets</b>		
Deferred Tax Assets on account of:		
Disallowances under Income tax Act:	1,272,886	1,272,886
	<b>1,272,886</b>	<b>1,272,886</b>
<b>Note 8. Other Non Current Assets</b>		
Advance Payment of Tax	-	-
	-	-
<b>Note 9. Inventories</b>		
Stores & Spares	6,632,598	6,048,982
Stock In hand	252,280,754	240,332,545
	<b>258,913,352</b>	<b>246,381,527</b>
<b>Note 10. Trade Receivables</b>		
(Unsecured considered good)		
Outstanding for a period exceeding Six Month	2,674,587	2,428,649
Other	239,685,982	310,434,181
	<b>242,360,569</b>	<b>312,862,830</b>
<b>Note 11. Cash and Cash Equivalent</b>		
Balances with Scheduled Bank	1,091,596	1,739,824
Cash on Hand	2,263,050	249,913
	<b>3,354,646</b>	<b>1,989,737</b>
<b>Note 12. Other Financial Assets</b>		
Unpaid Dividend	908,219	908,219
	<b>908,219</b>	<b>908,219</b>
<b>Note 13. Current Tax Assets</b>		
Balance with Government Authorities	7,842,683	1,680,172
	<b>7,842,683</b>	<b>1,680,172</b>

<b>Note 14. Other Current Assets</b>		
Advance to Staff	0	580,291
Prepaid Expenses	-	-
Misc. Expenses Not Written Off.	3,688,939	3,317,921
	<b>3,688,939</b>	<b>3,898,212</b>
<b>Note 17. Borrowings</b>		
Term Loan	8,703,068	21,392,694
	<b>8,703,068</b>	<b>21,392,694</b>
<b>Note 18. Other Non Current Liabilities</b>		
Provision for Tax	-	-
	-	-
<b>Note 19. Borrowings</b>		
<u>Secured</u>		
Working Capital facilities from Bank	80,397,124	85,477,483
<u>Unsecured</u>		
Inter Corporate Loan	7,776,546	6,850,000
	<b>88,173,670</b>	<b>92,327,483</b>
<b>Note 20. Trade Payables</b>		
Due to Micro and Small Enterprises	-	-
Due to Others	145,949,623	234,514,957
	<b>145,949,623</b>	<b>234,514,957</b>
<b>Note 21 Current Tax Liabilities</b>		
Statutory Dues Payable	1,775,781	145,687
Provision for Tax	550,000	3,357,650
	<b>2,325,781</b>	<b>3,503,337</b>
<b>Note 22. Other Current Liabilities</b>		
Other Payable	19,729	120,511
Advanced Received from Customer	-	-
Outstanding Expenses	149,120	1658,974
Employees Benefits Payables	2,475,357	1,325,687
Other Liabilities	331,273	1,536,821
	<b>2,975,479</b>	<b>4,641,993</b>

## Notes to Financial Statements as at and for the year ended March 31, 2018

	As at 31.03.2019	As at 31.03.2018
<b>Note 15. Equity Share Capital</b>		
<b>Authorised</b>		
350,000,000 [31st March 2018: 350,000,000 and 1st April 2017: 250,000,000] Equity Shares of Rs. 1 each	350,000,000	350,000,000
<b>Issued, Subscribed and Fully Paid up</b>		
246,200,534 [31st March 2018: 246,200,534 and 1st April 2017: 246,200,534] Equity Shares of Rs. 1 each	246,200,534	246,200,534
	<b>246,200,534</b>	<b>246,200,534</b>

**A. Reconciliation of the number of shares**

Equity Shares	As at 31st March 2019		As at 31st March 2018	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	246,200,534	246,200,534	246,200,534	246,200,534
Balance as at the end of the year	246,200,534	246,200,534	246,200,534	246,200,534



**B. Details of equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholder	As at 31st March 2019		As at 31st March 2018	
	Nos.	% of Holding	Nos.	% of Holding
Tilokchand Kothari	6,60,50,659	22.57	73750659	29.96
<b>Total</b>	<b>6,60,50,659</b>	<b>22.57</b>	<b>73,750,659</b>	<b>29.96</b>

**Statement of changes in Equity for the year ended 31st March, 2019**

A. EQUITY SHARE CAPITAL	Notes	( Amount in Rs)
As at 1st April, 2017		246,200,534.00
Changes in equity share capital		-
As at 31st March, 2018		246,200,534.00
Changes in equity share capital		-
As at 31st March, 2019		246,200,534.00

**B. OTHER EQUITY**

**( Amount in Rs)**

	Retained Earnings	Total
Balance as at 1st April, 2017	18,986,711	18,986,711
Profit for the year	14,091,610	14,091,610
Less: Utilised for issuance of Bonus Shares	-	-
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>14,091,610</b>	<b>14,091,610</b>

<b>Balance as at 31st March, 2018</b>	<b>33,078,322</b>	<b>33,078,322</b>
<b>Balance as at 1st April, 2018</b>	<b>33,078,322</b>	<b>33,078,322</b>
Profit for the year	1,635,259	1,635,259
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>1,635,259</b>	<b>1,635,259</b>
<b>Balance as at 31st March, 2019</b>	<b>34,713,581</b>	<b>34,713,581</b>

( Amount in  
Rs)**Note 16. OTHER EQUITY**

	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance as at 1st April, 2017</b>	<b>18,986,711</b>	<b>18,986,711</b>
Profit for the year	14,091,610	14,091,610
Less: Utilised for issuance of Bonus Shares	-	-
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>14,091,610</b>	<b>14,091,610</b>
<b>Balance as at 31st March, 2018</b>	<b>33,078,322</b>	<b>33,078,322</b>
<b>Balance as at 1st April, 2018</b>	<b>33,078,322</b>	<b>33,078,322</b>
Profit for the year	1,635,259	1,635,259
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>1,635,259</b>	<b>1,635,259</b>
<b>Balance as at 31st March, 2019</b>		<b>34,713,581</b>

34,713,581

Notes to Financial Statements as at and for the year ended March 31, 2019		
		(Amount in Rs.)
	As at 31.03.2019	As at 31.03.2018
<b>Note 23. Revenue from Operations</b>		
Sales	538,257,079	822,695,829
Other Operating Income	-	-
	<b>538,257,079</b>	<b>822,695,829</b>
<b>Note 24. Other Income</b>		
Long Term Capital Gain	127,000	-
Labour Charges	7,290	
Interest Income on FD	109,835	339,736
Other Interest	11,112	
Sundry Income	507,820	
	<b>763,057</b>	<b>339,736</b>
<b>Note 25. Purchase of Stock In Trade</b>		
Cost of Raw Material Consumed	13,074,485	18,079,691
Purchases of Finished Goods	499,932,380	730,361,777
	<b>513,006,865</b>	<b>748,441,468</b>
<b>Note 26. Change in Inventories of Stock-In-Trade</b>		
Inventory at the Beginning	246,380,540	253,185,527
Inventory at the End	258,913,352	246,380,540
	<b>(12,532,812)</b>	<b>6,804,987</b>

<b>Note 27. Employees Benefit Expenses</b>		
Salaries and Bonus	7,203,558	8,898,230
Staff Welfare	111,243	126,237
Conveyance	0	65,897
Tours & Travelling	0	102,356
Remuneration/Sitting Fees to Director	0	1,105,000
	<b>7,314,801</b>	<b>10,297,720</b>
<b>Note 28. Finance Cost</b>		
Interest on Borrowings	12,548,381	14,069,652
Bank Loan Processing Charges	390,000	0
Bank Charges	19,391	27,441
	<b>12,957,772</b>	<b>14,097,093</b>
<b>Note 29. Other Expenses</b>		
Advertisement & Sales Promotion Expenses	16,731	68,062
Conveyance & Travelling Expenses	993,603	813,279
Brokerage & Commission	140,067	0
General Expenses	1,614,996	1,486,596
Processing Fees	747,413	0
Insurance Expenses	96,663	172,337
Remuneration/Sitting Fees to Director	90,000	0
Legal & Professional Charges	305,626	1,166,037
Printing, Stationery & Communication	213,429	126,161
Electricity Expenses	553,106	2,268,634
Rent, Rate & Taxes	84,600	1,021,763
Job Works	0	1,702,522
Packing & Folding Expenses	0	138,959
Custodian Fees	115,612	0
Listing Fees	375,327	0
Factory General Expenses	1,913,947	681,054
Wages & Bonus	0	2,213,521
Computer Expenses	37,275	164,043
Income Tax	0	4,047,930
Preliminary Expenses	0	184,632
Donations	5,000	11,000
<u>Auditor's Remuneration</u>		

Audit Fees	100,000	25,000
	<b>7,403,395</b>	<b>16,291,530</b>
<b>Note 30. Earning Per Share</b>		
Basis for calculation of Basic and Diluted Earnings per share		
is as under:		
Profit after tax (Rs.)	1,635,259	14,091,611
Weighted Average Number of Equity Shares (Nos)	246,200,534	246,200,534
Face Value of each Equity Share (Rs.)	1	1
Basic and Diluted Earning Per Equity Share (Rs.)	0.0066	0.0572

**Note 31. Fair Value**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments

**(Amount in Rs.)**

	Carrying Value	
	As at 31.03.2019	As at 31.03.2018
<b>Financial Assets</b>		
Investments	1386510	1586510
<b>Loans</b>		
<b>- Loans &amp; Advances to others</b>		
- Loans & Advances to others	8596515	14638791
Other Financial Assets	2075395	5243274
Trade Receivables	242360569	312862830
Cash & Cash equivalents	3354646	1989737
Other Financial Assets	908219	908219

<b>Total</b>	<b>258,681,854</b>	<b>337,229,361</b>
<b>Financial Liabilities</b>		
Borrowings	96,876,738.00	113,720,177.00
<b>Trade Payables</b>		
- Trade Payables to others	145,949,623	234,514,957
<b>Other Financial Liabilities</b>		
- Other Payables	2,975,479	4,641,993
<b>Total</b>	<b>245,801,840</b>	<b>352,877,127</b>

### 32. Related Party Transactions

Name of related parties in Transactions with company and description of relationship

Key Managerial Personnel (KMP):

Mr. Tilokchand Kothari	- Managing Director
Mr. Pravin Mishra	- Company Secretary
Mr. Sagar Kotahri	- Chief Financial Officer

### 33. Transaction with Related Parties during the Year

#### Remuneration to Key Managerial Personnel (KMP)

(Amount in Rs.)

Name of Related Party	Nature of Transaction	Year ending March 31, 2019	Year ending March 31, 2018
Mr. Tilokchand Kothari	Remuneration	0	1000000
Mr. Pravin Mishra	Remuneration	195000	125500
Mr. Sagar Kotahri	Remuneration	593520	600000

In accordance with Accounting Standard Ind AS 108 'Operating Segment' the Company has only one reportable business segment and have only one reportable geographic segment in India.

### 34. Capital Risk Management:

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**35. Contingent Liabilities:** Nil (Previous Year – Nil)

### **36. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

#### **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

#### **Credit Risk**



Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities. The Company generally doesn't have collateral.

### **Trade Receivables and Security Deposits**

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

### **Liquidity Risk**

The company's principal source of liquidity is cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived

### **37. First time adoption of Ind AS**

These financial statements, for the year ended 31 March 2019, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with Indian GAAP.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31 March 2019, together with the comparative period data as at and for the year ended 31 March 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at 1 April 2017, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the statement of financial position as at 1 April 2017 and the financial statements as at and for the year ended 31 March 2018.

***Exemption Applied***

Ind AS 101 allows first-time adopters certain mandatory and voluntary exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the exemption with respect to Property, Plant & Equipment.

As permitted by IND AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant & equipment.

***Estimates***

The estimates at 1 April 2017 and at 31 March 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

38. The following reconciliations provides a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- a) Reconciliation of Balance Sheet as at April 1, 2017
- b) Reconciliation of Balance Sheet as at March 31, 2018
- c) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2018

**Reconciliation of Balance Sheet as at April 1, 2017**

(Amount in Rs.)

Assets	Regrouped Previous GAAP	Ind AS Adjustment	Ind AS
<b>1) Non-Current Assets</b>			
a) Property, Plant & Equipment	6,67,30,147	-	6,67,30,147
b) Other Intangible Assets	19,679		19,679
c) Financial Assets			
i) Investments	15,86,510	-	15,86,510
ii) Loans	60,84,240	-	60,84,240
iii) Other Financial Assets	52,43,274		52,43,274
d) Deferred Tax Assets	12,72,886	-	12,72,886
e) Other non-current assets	-		-
<b>2) Current Assets</b>			

a) Inventories	25,31,85,527	-	25,31,85,527
b) Financial Assets			
i) Trade Receivables	17,61,26,888	-	17,61,26,888
ii) Cash and Cash Equivalents	23,04,353	-	23,04,353
iii) Loans	-	-	-
iv) Other financial assets	9,08,219		9,08,219
c) Current tax Assets	11,80,172	-	11,80,172
d) Other Current Assets	56,51,318	-	56,51,318
<b>Total</b>	<b>52,02,93,213</b>	<b>-</b>	<b>52,02,93,213</b>
<b>Equity and Liabilities</b>			
<b>1) Equity</b>			
a) Equity Share Capital	24,62,00,534	-	24,62,00,534
b) Other Equity	1,89,86,712	-	1,89,86,712
<b>2) Non Current Liabilities</b>			
a) Deferred Tax Liabilities	-	-	-
b) Borrowings	2,49,25,471		2,49,25,471

c) Other non-current liabilities	-		-
<b>3) Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	8,70,27,297.00	-	8,70,27,297.00
ii) Trade Payables	12,79,41,766	-	12,79,41,766
iii) Other Financial Liabilities	-	-	-
b) Current tax liabilities	37,21,084.00		37,21,084.00
c) Other Current Liabilities	1,14,90,350	-	1,14,90,350
<b>Total</b>	<b>52,02,93,213</b>	<b>-</b>	<b>52,02,93,213</b>

**Reconciliation of Balance Sheet as at March 31, 2018**

**(Amount in Rs.)**

<b>Assets</b>	<b>Regrouped Previous GAAP</b>	<b>Ind AS Adjustment</b>	<b>Ind AS</b>
<b>1) Non-Current Assets</b>			
a) Property, Plant & Equipment	70,385,217	-	70,385,217
b) Other Intangible Assets	11945		11945
c) Financial Assets			

i) Investments	15,86,510	-	15,86,510
ii) Loans	1,46,38,791	-	1,46,38,791
iii) Other Financial Assets	52,43,274		52,43,274
d) Deferred Tax Assets	12,72,886	-	12,72,886
e) Other non-current assets	-		-
<b>2) Current Assets</b>			
a) Inventories	246,381,527	-	246,381,527
b) Financial Assets			
i) Trade Receivables	312,862,830	-	312,862,830
ii) Cash and Cash Equivalents	1,989,737	-	1,989,737
iii) Loans	-	-	-
iv) Other financial assets	9,08,219		9,08,219
c) Current tax Assets	16,80,172	-	16,80,172
d) Other Current Assets	38,98,212	-	38,98,212
<b>Total</b>	<b>660,859,321</b>	-	<b>660,859,321</b>
<b>Equity and Liabilities</b>			

<b>1) Equity</b>			
a) Equity Share Capital	24,62,00,534	-	24,62,00,534
b) Other Equity	3,30,78,322	-	3,30,78,322
c) Convertible Share Warrant	2,52,000		2,52,000
<b>2) Non Current Liabilities</b>			
a) Deferred Tax Liabilities	-	-	-
b) Borrowings	2,13,92,694		2,13,92,694
<b>3) Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	9,23,27,483	-	9,23,27,483
ii) Trade Payables	23,45,14,957	-	23,45,14,957
iii) Other Financial Liabilities	-	-	-
b) Current tax liabilities	35,03,337		35,03,337
c) Other Current Liabilities	46,41,993	-	46,41,993
<b>Total</b>	<b>66,08,59,320</b>	-	<b>66,08,59,320</b>

*Reconciliation of Statement of Profit and Loss for the year ended March 31, 2018*

(Amount in Rs.)

	Regrouped Previous GAAP	Ind AS Adjustment	Ind AS
Revenue from Operations	82,26,95,829	-	82,26,95,829
Other Income	339,736	-	339,736
<b>Total Income</b>	<b>823,035,565</b>	-	<b>823,035,565</b>
Expenses			
Purchases of Stock-In-Trade	748,441,468	-	748,441,468
Changes in Inventories of Stock-In-Trade	68,04,987	-	68,04,987
Employee Benefit Expenses	1,02,97,720	-	1,02,97,720
Finance Cost	1,40,97,093	-	1,40,97,093
Depreciation and Amortisation Expense	1,00,11,156	-	1,00,11,156
Other Expenses	1,62,91,530	-	1,62,91,530



<b>Total Expenses</b>	<b>805,943,954</b>	-	<b>805,943,954</b>
<b>Profit Before Tax</b>	<b>1,70,91,611</b>	-	<b>1,70,91,611</b>
<i>Tax Expense</i>			
Current Tax	30,00,000	-	30,00,000
Deferred Tax	-	-	-
<b>Profit for the period</b>	<b>1,40,91,611</b>	-	<b>1,40,91,611</b>
Other Comprehensive Income	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>1,40,91,611</b>	-	<b>1,40,91,611</b>

39. Certain Balances of parties under sundry debtors, creditors, loans and advances are subject to confirmations/reconciliation.

40. There was no expenditure/earning in Foreign Currency during the year.

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**VISAGAR POLYTEX LIMITED**  
**L65990MH1983PLC030215**

Regd Office: 907-908, Dev Plaza, Opp. Andheri Fire Station, S. V. Road, Andheri – West, Mumbai – 400 058.  
 Tel.: +91-22-67424815, Website: [www.visagarpolytex.in](http://www.visagarpolytex.in) E-mail Id: contact@visagar.com

**ATTENDANCE SLIP**

Please fill attendance slip and hand it over at the entrance of the meeting hall Joint shareholders may obtain additional Slip at the venue of the meeting

D.P. Id*		Folio No.	
Client Id *		No. of Shares	

**NAME OF THE SHAREHOLDER / PROXYHOLDER:** \_\_\_\_\_

I hereby record my presence at the **36<sup>th</sup> Annual General Meeting** of the Company held on **Monday, September 30, 2019** at **10.00 a.m.** at 2nd Floor, CKP Hall, Tejpal Scheme Rd 4, Udyan Vikas Society, Vile Parle East, Vile Parle, Mumbai-400057.

\_\_\_\_\_  
 Signature of Shareholder/Proxyholder

**Note:**

**Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.**

..... **(Tear Here)** .....

**VISAGAR POLYTEX LIMITED**  
**L65990MH1983PLC030215**

Regd Office: 907-908, Dev Plaza, Opp. Andheri Fire Station, S. V. Road, Andheri – West, Mumbai – 400 058.  
 Tel.: +91-22-67424815, Website: [www.visagarpolytex.in](http://www.visagarpolytex.in) E-mail Id: contact@visagar.com

**PROXY FORM**

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

Name of the Member(s) : \_\_\_\_\_  
 Registered Address : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Folio No./Client ID/DP ID : \_\_\_\_\_

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

Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

-----  
 as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **36<sup>th</sup> Annual General Meeting** of the Company to be held on **Monday , September 30, 2019 at 10.00 a.m.** at 2nd Floor, CKP Hall, Tejpal Scheme Rd 4, Udyan Vikas Society, Vile Parle East, Vile Parle, Mumbai-400057.

and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	Special Business
1. Adoption of financial statements for the year ended as at March 31, 2019 and Reports of Directors' and Auditors' thereon.	3. Regularization of Appointment of Mrs. Sheela Vijay Sawdekar as an Independent Non-Executive Director.
2. Re-appointment of Mr. Kanwarlal Rathi, who retires by rotation.	4. Regularization of Appointment of Mr. Kaushal Singh Yadav as an Independent Non-Executive Director.
	5. Regularization of Appointment of Mr. Subhankar Adhikary as an Independent Non-Executive Director.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

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

\_\_\_\_\_  
 Signature of the proxy (holders)

**Notes:**

1. This form, in order to be effective, should be duly completed, stamped, signed and deposited at the registered office of the Company, not less than 48 hours before the commence of the meeting.
2. Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

## **VISAGAR POLYTEX LIMITED**

**Regd. Off: 907/908, Dev Plaza, S. V. Road,**

**Andheri (W), Mumbai- 400058**

**Email Id: [contact@Visagar.com](mailto:contact@visagar.com)**

**Website: [www.visagarpolytex.com](http://www.visagarpolytex.com)**