

COMSYN/BSE/2020-21

Date: 06th September, 2020Online Filing at: www.listing.bseindia.com

To,
The General Manager,
DCS-CRD
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai- 400001(MH)

BSE Scrip ID: COMSYN BSE Scrip Code: 539986

Subject: Submission of 36th Annual Report along with the Notice of Annual General Meeting to be held on 29th Sept., 2020 through Video Conferencing (VC)/ Other Audio Visual Means (OVAM) at 2:00 P.M. pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015.

Dear Sir/Ma'am,

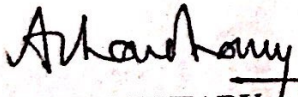
We wish to inform you that the 36th Annual General Meeting (AGM) of the members of Commercial Syn Bags Limited is scheduled to be held on Tuesday, September 29th, 2020 at 2.00 p.m. through video conferencing ("VC")/Other Audio Visual Means ("OAVM"). In view of the spread of COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circulars No. 14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020 and No.20/2020 dated May 5, 2020 (collectively referred to as "MCA Circulars" and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular"), has allowed for conducting the Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

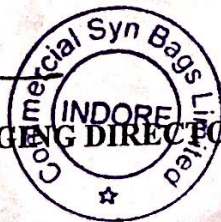
Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclose herewith the soft copy of the Annual Report for the financial year ended on 31st March, 2020 along with the Notice of 36th Annual General Meeting to be held on Tuesday, September 29th, 2020 at 2.00 p.m.

The abovementioned documents are available shall be available on the Company's website at www.comsyn.com.

Thanking You,
Yours Faithfully,

For, **COMMERCIAL SYN BAGS LIMITED**


ANIL CHOUDHARY
CHAIRMAN & MANAGING DIRECTOR
DIN: 00017913

**Commercial Syn Bags Limited**

CIN : L25202MP1984PLC002669

Registered Office : Commercial House, 3-4, Jaora Compound, M.Y.H. Road, INDORE - 452 001, M.P. INDIA

Ph. +91-731-2704007, 4279525 Fax : +91-731-2704130 E-mail : mails@comsyn.com, Visit at : www.comsyn.com

36th Annual Report 2019-20

opportunities goals career focus
boldness objectives passion hardwork commitment
motivation courage leadership perseverance
fame creativity life positivity own confidence
education persistence advance graft self-gratification targets attitude
wealth vision growth organisation purpose
inspiration attainment marketing
talent
analysis
time change finance
strength
attainment



COMSYN
COMMERCIAL SYN BAGS LIMITED

"Weaving strength thread by thread for better world"



CHAIRMAN'S MESSAGE

Dear Esteemed Shareowners,

We are pleased to present you detailed account of events that have transpired in 2019-2020, through our Annual Report for the year. We hope you all are keeping safe and are in the best of health. The world is enveloped by Covid – 19 and no country is free from this pandemic and the resultant economic crisis has aggravated the global community's hardship. However, I have no doubt India and the world economy will emerge stronger and bounce back quickly and I also strongly believe that every adversity presents multiple new opportunities.

Your Company has registered a marginal growth in net profit in this financial year. Total revenue and revenue from operation is lower due to disruption caused in the last week of March, 2020 barring this period the performance of your Company tracked the defined plans. The export sales continue to contribute more than 70% of total sales from manufacturing segment and Company's customer base is spread in all the continents except Antarctica.

The outbreak of novel Coronavirus (Covid – 19) has impacted the business operations of the Company by way of interruption in production activities, supply chain and availability of manpower. The nation wide lockdown was effective from midnight of 24th March, 2020. This lockdown was preceded by imposition of Janta Curfew on 22nd March, 2020. The Company continue to operate its manufacturing facilities and distribute its products which are covered under the essential commodities category and resumed partial operation w.e.f. 28th March, 2020 after getting requisite permission from the MPIDC, Regional Office, Indore after adhering to the guideline issued by Government/Local authority. Your Company had made contribution to CM Relief Fund, PM-CARES and also distributed food and essential items to migrant workers.

The financial statements for this financial year are prepared under Ind AS and detailed explanation on how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows are given in the notes to financial statement.

The announced expansion of at Unit – II is delayed due to Covid – 19 pandemic. The commercial production is expected to commence during September, 2020 and trial run of the project is in process. The Company has been appointed as Implementing Partner for undertaking upskilling/reskilling of persons under Samarth Programme of Ministry of Textiles.

Your directors are pleased to recommend a Final Dividend of 15% i.e. Rs. 1.50 per equity share of face value of Rs. 10 each for financial year 2019-2020, subject to approval of shareholders.

Your Company always focuses on operational efficiency and reduction in cost for which it has also taken some initiatives in previous years. During the year under review 18.03 Lakhs units of Electricity were generated through 1.0 MW (1.2 MW peak (p) Solar Power Generating System at Ujaas Solar Park, Sitamau (MP) and used as captive consumption at Company's manufacturing units at Pithampur. Further that during the year under review your Company has achieved turnover of 48066.98 MT vis a vis 22,755 MT in financial year 2017-2018 under trading operations as DCA cum CS of ONGC Petro additions Limited (OPaL), and strengthened its presence in domestic market.

I would like to inform the members that the Company has incorporated a wholly owned subsidiary in the name and style of Comsyn India Private Limited which will enhance the working capacity of the Company.

I would like to convey my sincere appreciation to the Board of Directors for their continued guidance. I would also like to acknowledge the trust, respect and support of our Bankers and authorities of the BSE, SEBI, NSDL, CDSL and RTA. I would like to extend my gratitude towards all our Shareholders for their continuing faith and confidence in the management of the Company; we look forward to create more milestones going ahead.

It is equally important to acknowledge the resolute faith and support of our clients, business associates, suppliers and all other stakeholders who have been a constant source of inspiration in providing value-added products. Their continued support has helped us to consistently improve our financial performance over the years.

I would like to extend my deepest appreciation for COMSYN team and their valuable contribution in bringing sustainable track record and reputation to the Company. Powered by the talent of our people and vesting reaffirmed faith in the resilience of our business model, we look forward to overcoming any challenges that may lie ahead.

*With best wishes,
Sincerely,*

*Anil Choudhary
Chairman & Managing Director*

CORPORATE INFORMATION

Board of Directors

Designation

Chairman & Managing Director
 Whole-time Director
 Whole-time Director
 Independent Director
 Independent Director
 Independent Director

Other Key Managerial Personnel

Designation

Chief Executive Officer
 Chief Financial Officer
 Company Secretary & Compliance Officer

Other Management Personnel

Designation

Chief Operating Officer

Committees of the Board

Audit Committee

Status

Independent Director
 Independent Director
 Whole-time Director

Position in the Committee

Chairman
 Member
 Member

Stakeholders' Relationship Committee

Status

Independent Director
 Independent Director
 Chairman and Managing Director

Position in the Committee

Chairman
 Member
 Member

Nomination and Remuneration Committee

Status

Independent Director
 Independent Director
 Independent Director

Position in the Committee

Chairman
 Member
 Member

Corporate Social Responsibility Committee

Status

Chairman and Managing Director
 Whole-time Director
 Independent Director

Position in the Committee

Chairman
 Member
 Member

Name

Shri Anil Choudhary
 Smt Ranjana Choudhary
 Shri Virendra Singh Pamecha
 Shri Hitesh Mehta
 Shri Milind Mahajan
 Shri Chintan Pushpraj Singhvi

Name

Shri Ravindra Choudhary
 Shri Abhishek Jain
 CS Sandeep Patel

Name

Shri Pramal Choudhary

Name

Shri Hitesh Mehta
 Shri Milind Mahajan
 Shri Virendra Singh Pamecha

Name

Shri Milind Mahajan
 Shri Hitesh Mehta
 Shri Anil Choudhary

Name

Shri Hitesh Mehta
 Shri Milind Mahajan
 Shri Chintan Pushpraj Singhvi

Name

Shri Anil Choudhary
 Smt Ranjana Choudhary
 Shri Hitesh Mehta

Statutory Auditors:

M/s Avinash Agrawal & Co.
 Chartered Accountants
 33, Ravi Nagar, Shrinagar Ext., Indore (M.P.)-452018

Internal Auditors:

M/s Dilip Rathor & Co. Chartered Accountants
 Dhamnod (M.P.)-454552

Bankers:

State Bank of India
 Bank of Baroda
 HDFC Bank Limited
 Kotak Mahindra Bank Limited
 Axis Bank Limited
 Bank of India
 Yes Bank Limited

Share Transfer Agent:

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building
 Opp. Vasant Oasis, Makwana Road,
 Marol, Andheri East, Mumbai (M.H.)-400059
 Tel : + 91-22-6263 8200
 Email: investor@bigshareonline.com
 Website:www.bigshareonline.com

Secretarial Auditor:

M/s Ishan Jain & Co., Company Secretaries
 Indore (M.P.)-452001

Name of Stock Exchange, Script Code & ISIN No.:

BSE Limited, Scrip Code: 539986
 ISIN:INE073V01015

Registered Office:

Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore (M.P.)-452001
 CIN: L25202MP1984PLC002669 Email: investors@comsyn.com
 Tel : 91 731- 4279525/26 Website: www.comsyn.com

WORKS:

Unit I: Plot No.S-4/1, S-4/2, S-4/3, S-4/3A Sector 1,Pithampur (M.P.)

Unit II: Plot No. S-2/1, S-3/1, S-3/2, Sector-1, Pithampur (M.P.)

Unit III: Plot No. 309, Sector-1, Pithampur (M.P.)

Unit SEZ: Indore Special Economic Zone, Plot No. 15 to 18, Phase-1, Sector-III, Pithampur (M.P.)

SOLAR POWER DIVISION: PH No. 36, VillageGalihara, Tehsil, Sitamau, District Mandsaur (M.P.)

TRADING DIVISION WAREHOUSE : 61/2, Sector-F, Sanwer Road, Indore (M.P.)

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NOTICE

Notice is hereby given that 36th Annual General Meeting of the members of **COMMERCIAL SYN BAGS LIMITED** will be held on **Tuesday the 29th day of September, 2020** at 2:00 P.M. through Video Conferencing (VC)/Other Audio Visual Means (OAVM) for which purposes registered office of the company situated at Commercial House, 3-4, Jaora Compound, M.Y.H. Road Indore (M.P.) 452001 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Financial Statements containing the Balance Sheet as at 31st March 2020, the statement of Profit & Loss, Cash Flow, Changes in Equity and notes thereto of the company for the financial year ended 31st March 2020 and the Report of the Board's and Auditors thereon as on that date.
2. To declare dividend on the 1,18,17,400 equity shares of Rs. 10/- each of the Company for the financial year ended 31st March, 2020.
3. To appoint a director in place of **Shri Anil Choudhary** (DIN: 00017913) Chairman and Managing Director, who is liable to retire by rotation and being eligible offers him self for re-appointment.

SPECIAL BUSINESS:

4. To consider and approve re-appointment of Shri Virendra Singh Pamecha (DIN:07456367) as Whole-time Director & KMP for a further period of 5 (Five) Years w.e.f. 26th March, 2021 and in this regard to consider and, if thought fit to pass with or without modification(s), the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and Board of Directors pursuant to the provisions of section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company the approval of the Members be and is hereby accorded for re-appointment of Shri Virendra Singh Pamecha (DIN: 07456367) as Whole-time Director of the Company for a further period of 5 years with effect from 26th March, 2021 on the remuneration not exceeding Rs. 1,75,000/- (Rupees One Lakh Seventy Five Thousand only) per month.

RESOLVED FURTHER THAT in addition of aforesaid remuneration, Shri Virendra Singh Pamecha, Whole-time Director shall also be entitled for the following benefits and shall not be considered for the purpose of calculation of the maximum permissible remuneration as it covers under the exempted category.

1. Employers Contribution to PF: As per the Rules of the Company.
2. Gratuity: As per the rules of the Company, subject to the maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Earned Privilege Leave: As per the rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days' salary for every year of completed services at the end of the tenure.

FACILITIES TO PERFORM THE COMPANY'S WORK:

1. Car: The Company shall provide a car with driver for the Company's business and if no car is provided, reimbursement of the conveyance/car expenses shall be made as per actual on the basis of claims submitted by him.
2. Telephone, Internet & Cell: Free use of telephone, internet at his residence and Cell phone, provided that the personal long

distance calls on the telephone shall be billed by the Company to the Whole-time Director.

RESOLVED FURTHER THAT in the event of there being any loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Virendra Singh Pamecha shall be minimum remuneration payable by the Company as per the requirement of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT there shall be clear relation of the Company with Shri Virendra Singh Pamecha as “the Employer-Employee” and each party may terminate the above said appointment with six months’ notice in writing or salary in lieu thereof.

RESOLVED FURTHER THAT Shri Virendra Singh Pamecha, Whole-time Director shall also be entitled to reimbursement of actual entertainment, travelling time to time to perform his duties as per rules of the Company.

RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of his remuneration within the permissible limits in its absolute discretion as may be considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company without any requirement to seek further approval of the members of the Company.”

5. To approve re-appointment of Shri Anil Choudhary (DIN:00017913) as the Chairman and Managing Director & Chairman for a further period of 5 (Five) Years w.e.f. 20th February, 2021 and in this regard to consider and, if thought fit to pass with or without modification(s), the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and Board of Directors and subject to the provisions of Section 196,197,198,203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and Articles of Association of the company, approval of the members of the Company be and is hereby accorded for re-appointment of Shri Anil Choudhary as the Chairman & Managing Director of the Company for a further period of five years w.e.f. 20th February, 2021 on remuneration upto Rs. 7,00,000/- (Rupees Seven Lakhs) per month, whose period of office is liable to retirement by rotation.

FURTHER RESOLVED THAT in addition of his aforesaid remuneration, Shri Anil Choudhary, the Chairman & Managing Director shall also be entitled for the following benefits and shall not be considered for the purpose of calculation of the maximum permissible remuneration as it covers under the exempted category.

1. Employers Contribution to PF: As per the Rules of the Company.
2. Gratuity: As per the rules of the Company, subject to the maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Earned Privilege Leave: As per the rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every year of completed services at the end of the tenure.
4. Commission @ 2% of the net Profits of the Company.
5. Mediciclaim and accidental insurance, the annual premium of which shall not exceed Rs. 50,000.
6. Leave Travel Concession for self and family once in a year upto Rs. 2,00,000
7. Other perquisites as may be allowed under Income Tax.

FACILITIES TO PERFORM THE COMPANY’S WORK:

1. Car: The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the

conveyance/car expenses shall be made as per actual on the basis of claims submitted by him.

2. Telephone, Internet and Cell: Free use of telephone, internet at his residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Chairman and Managing Director.

FURTHER RESOLVED THAT in the event of there being any loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Anil Choudhary shall be minimum remuneration payable by the Company.

FURTHER RESOLVED THAT there shall be clear relation of the Company with Shri Anil Choudhary as “the Employer-Employee” and each party may terminate the above said appointment with six months’ notice in writing or salary in lieu thereof.

RESOLVED FURTHER THAT Shri Anil Choudhary, the Chairman & Managing Director shall also be entitled to reimbursement of actual entertainment, travelling time to time to perform his duties as per rules of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of his remuneration within the permissible limits in its absolute discretion as may considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company without any requirement to seek further approval of the members of the company.

6. To approve re-appointment of **Shri Chintan Pushpraj Singhvi (DIN:07334755)** as the Independent Director for a further period of 5 (Five) consecutive years w.e.f. 30th November, 2020 and in this regard to consider and, if thought fit to pass with or without modification(s), the following resolution as an Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Shri Chintan Pushpraj Singhvi (DIN:07334755)**, who was appointed as an Independent Director upto the 1st term of 5 years ending on 29th Nov., 2020 and being eligible, and has submitted a declaration for his independence and upon recommendation of the Nomination and Remuneration Committee and the Board of directors, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, w.e.f. 30th Nov., 2020 to 29th Nov., 2025.”

Date: 2nd September, 2020

Commercial Syn Bags Limited

CIN: L25202MP1984PLC002669

Regd. Office: Commercial House,
3-4, Jaora Compound, M.Y.H. Road,
Indore-452001 (M.P.)

By Orders of the Board of Director

Sandeep Patel

Company Secretary

ACS 54908

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated 5th May, 2020, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only and no physical presence at the meeting is required.
2. In terms of the Articles 164A as amended by the Members of the Company by way of Postal Ballot Process including Remote-E-voting. The Members of the Company can waive/forgo, if he/they so desire(s), his/their right to receive the dividend (interim or final) for any financial year on a year to year basis, as per the rules framed by the Board of Directors of the Company from time to time for this purpose. Therefore, the Shareholder, if so wishes exercise their rights to waive/forgo the rights to receive the Dividend for the year 2019-20 needs to fill up the form as available on the website of the company www.comsyn.com copy of the same is also enclosed with Annual Report and send it to the Company Secretary of the company by way of email at cs@comsyn.com or investors@comsyn.com or investor@bigshareonline.com or at the Registered Post or by hand on or before 22nd Sept., 2020.
3. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Therefore, Proxy Form and Attendance Slip is not attached with this notice.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the MCA dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for Video Conference/OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.
6. The Notice calling the AGM along with complete Annual Report has been uploaded on the website of the Company. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd. at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-voting facility and providing necessary platform for Video Conference/OAVM) i.e. www.evotingindia.com
7. This AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No.14/2020 dated 8th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020 and MCA Circular No. 20/2020 dated 5th May, 2020.
8. The recorded transcript of the forthcoming AGM shall also be made available on the website of the Company www.comsyn.com as soon as possible after the Meeting is over.
9. In compliance with the aforesaid MCA Circulars dated 5th May, 2020 and SEBI Circular dated May 12th, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.comsyn.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of CDSL <https://www.evotingindia.com>. However, if any specific request received from the members for demanding of the physical copy of the Annual Report will be provided by the company but subject to time taken by the courier and Postal Department looking to the Covid-19.
10. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise

their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

11. Pursuant to Finance Act, 2020, dividend income if any declared by the Company will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company shall be required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Bigshare Services Private Limited, the Share Transfer Agent (in case of shares held in physical mode) and to the concerned depositories. (in case of shares held in demat mode) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to investors@comsyn.com by 11:59 p.m. IST on September 22nd, 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
12. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to investors@comsyn.com. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on September 22nd, 2020.
13. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed and forms part of the Notice.
14. Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 22nd September, 2020 to Tuesday, 29th September, 2020 (both days inclusive)** for the Annual General Meeting and ascertainment for entitlement of payment of dividend to the members whose names appear in the Register of members and the records of the beneficiaries of the CDSL and NSDL on the date of the Annual General Meeting.
15. 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 **22nd September, 2020 (Monday)**.
16. CS Ishan Jain, Practicing Company Secretary (F.R.No. I2014MP1139600, M.No.FCS 9978 & C.P. No. 13032) and Proprietor of M/s. Ishan Jain & Co., Company Secretaries, Indore has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
17. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting at its email ID investors@comsyn.com so that the information required may be made available at the Meeting.
18. The Members are requested to:
 - a) Quote their ledger folio / DP and Client ID number in all their correspondence.
 - b) Send their Email address to us for prompt communication and update the same with their D.P to receive soft copy of the Annual Report of the Company.
19. Members are requested to notify immediately any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) in case the shares are held in demat form to the Registrar and Share Transfer Agent Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, (M.H.) 400059 having email Id investor@bigshareonline.com, to receive the soft copy of all communication and notice of the meetings etc., of the Company.
20. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Board Report.
21. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the 36th AGM. Members seeking to inspect such documents can send an email to investors@comsyn.com.
22. **Voting through electronic means**

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

- (i) voting period begins on 26th September 2020 (Saturday) and ends on 28th September, 2020 (Monday). During this period shareholders of the Company, holding shares in dematerialized form, as on the cut-off date (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on “Shareholders” module.
- (v) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Characters DP ID followed by 8 digits Client ID
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department Shareholders who have not updated their PAN with the Company/Depository Participant the first two letters of their name and the 8 digits of the sequence number in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) Click on the EVSN for the relevant Commercial Syn Bags Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

23. Process For those shareholders whose email addresses are not registered with the Depositories for obtaining Login Credentials for E-Voting for the Resolutions proposed in this notice:

- I). For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@comsyn.com/ investor@bigshareonline.com.
- ii). The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

24. Instructions for shareholders attending the AGM through VC/OAVM are as under:

- I). Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed
- ii). Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii). Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv). Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v). Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@comsyn.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@comsyn.com (company email id). These queries will be replied to by the company suitably by email.
- vi). Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

25. Instructions for shareholders for E-Voting during the AGM are as under: -

- I). The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii). Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iii). If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv). Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

26. Note for Non – Individual Shareholders and Custodians

- I). Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- ii). A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- iii). After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- iv). The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- v). A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- vi). Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@comsyn.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

27. Members 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).
28. Any person, who acquires shares of the Company and become member of the Company after mailing of the notice and holding shares as on the cut-off date i.e. 22nd September, 2020 (Tuesday), may obtain the login ID and password by sending a request at investor@bigshareonline.com.
29. 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 i.e. 22nd September, 2020 (Tuesday) only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
30. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting to all those members who are present/loggedin at the AGM but have not cast their votes by availing the remote e-voting facility.
31. The Results of the voting on the resolutions along with the report of the Scrutinizer shall be declared and placed on the website of the Company www.comsyn.com and on the website of CDSL 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 BSE Ltd.
32. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents at the following address:

M/s. Bigshare Services Private Limited
 Address: 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra-400059
 E-mail: investor@bigshareonline.com.
33. As the 36th AGM is being held through VC, the route maps is not annexed to this Notice.

DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING

Name of Directors	Shri Virendra Singh Pamecha	Shri Chintan Pushpraj Singhvi	Shri Anil Choudhary
Designation	Whole-Time Director	Independent Director	Chairman & MD
DIN	07456367	07334755	00017913
Date of Birth	01-07-1969	10-01-1980	03-12-1958
Date of Appointment in the current term	Appointed as the Whole-Time Director w.e.f. 26.03.2016 subject to liable to retire by rotation.	Appointed as the Independent Director w.e.f. 30-11-2015	Re-appointed as Chairman & Managing Director w.e.f. 20th February, 2016 for a period of 5 years subject to liable to retire by rotation.
Expertise/Experience in specific functional areas	More than 10 Years of experience in manufacturing, Marketing and administrative Functional areas.	Having vast experience in polymer business	More than three decades in Plastic Packaging Industry
Qualification	Bachelor of Commerce (B.Com.)	MBA in International Business.	B.Sc, M.A. Diploma in Marketing Management
No. & % of Equity Shares held	Nil	0	holding 4,49,200 equity shares of Rs.10/- each and 3.80 % as at 31st March, 2020
Details of outside Company's directorship held	Nil	NIL	1. Indian Plast Pack Forum 2. ABA Real build Private Limited
Chairman / Member of the Committees of the Board of Directors of the Company	Audit Committee- Member	1. Nomination & Remuneration Committee-Member	1. CSR Committee- Chairman 2. Stakeholder Relationship Committee-Member
Chairman / Member of the Committees of the Board, Directors of other Companies in which he/she is director	Nil	N.A.	Nil
Disclosures of relationships between directors and KMPs inter-se.	Nil	N.A.	Shri Anil Choudhary is relative of Smt. Ranjana Choudhary, Whole-Time Director, Shri Ravindra Choudhary, CEO Shri Paramal Choudhary, COO of the company

Brief Resume

Shri Virendra Singh Pamecha:

Shri Virendra Singh Pamecha aged 51 years is the Whole-Time Director of the company. He has more than 10 Years of experience in manufacturing, Marketing and administrative Functional areas has given his significant contribution and support in managing the business affairs for the growth and success of the Company.

Shri Anil Choudhary:

Shri Anil Choudhary aged 62 years is the Promoter, Chairman & Managing Director of the Company. He has been the director of Company since incorporation. He has an experience of more than three decades in plastic packaging industry. He is entrusted with the responsibility of looking after the overall management and operations of the Company. He is the guiding force behind the strategic decisions of the COMSYN and has given his significant contribution and support in managing the business affairs for the growth and success of the Company.

Shri Chintan Pushpraj Singhvi

Shri Chintan Pushpraj Singhvi is the Independent Director of the company having 17 years of experience in the field of International business. He is also having vast experience in Polymer Business.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Shri Virendra Singh Pamecha (DIN: 07456367) was appointed as the Whole-time Director at the Board Meeting held on 26th March, 2016 which was also confirmed by the members in the Extra Ordinary General Meeting held on 26th April, 2016 for a term of 5 years w.e.f. 26th March, 2016 till 25th March, 2021. Therefore, he needs to be re-appointed by the Company for a further term of 5 (Five) years w.e.f. 26th March, 2021 till 25th March, 2026.

Shri Virendra Singh Pamecha is eligible for reappointment subject to approval of member by special resolution Pursuant to provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The detailed profile of the Shri Virendra Singh Pamecha as required under the provisions of Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and other applicable provisions, have been given in this notice.

The Nomination and Remuneration Committee (NRC) and the Board of Directors at their meeting held on 2nd September, 2020, considered and approved the re-appointment of Shri Virendra Singh Pamecha on the terms, conditions and remuneration as set out in the Item No. 4. The brief profile of Shri Virendra Singh Pamecha is given hereunder the details of the directors seeking Appointment/Re-appointment.

Shri Virendra Singh Pamecha, being appointee may be considered as financial interested to the extent of the remuneration as may be drawn by him. Except that none of the other directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolutions in any manner. The Board recommends the Resolution as set out in Item No. 4 of this Notice for approval of Members.

Item No. 5

Shri Anil Choudhary (DIN: 00017913) was appointed as Managing Director at the Board Meeting held on 10th February, 2016 which was also confirmed by the members in the Extra Ordinary General Meeting held on 15th March, 2016 for a term of 5 years w.e.f. 20th February, 2016 till 19th February, 2021. Therefore, he needs to be re-appointed by the Company for a further term of 5 (Five) years w.e.f. 20th February 2021 till 19th February, 2026.

Shri Anil Choudhary is eligible for re-appointment for period of 5 (Five) years after seeking approval of the members by passing Special resolution pursuant to the proviso of section 196(3)(a) of the Companies Act, 2013.

Pursuant to the provisions of Regulation 17(6)(e) of SEBI(LODR), Regulations 2015 the annual remuneration payable to Shri Anil Choudhary shall be in excess of 2.50% of the net profits as well as the aggregate remuneration payable to all the directors belongs to the promoter group shall be exceeding 5% of the net profits, therefore the proposed resolution needs to be passed as a Special Resolution.

The detailed profile of the Shri Anil Choudhary as required under the provisions of Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and other applicable provisions, have been given in this notice.

The NRC and the Board at their meeting held on 2nd September, 2020 considered that the Company needs to re-appoint Shri Anil Choudhary as the Chairman And Managing Director for a further period of 5 (Five) years w.e.f. 20th February, 2021 on the terms and conditions and remuneration as set out in the Item No. 5 of the notice and recommend to pass necessary Special resolution at the Meeting.

Shri Anil Choudhary, is financially interested in the resolution to the extent of the remuneration as may be paid to him. Further, that Mrs. Ranjana Choudhary (Whole-time Director), Mr. Ravindra Choudhary (Chief Executive Officer) and Mr. Pramal Choudhary (Chief Operating Officer) being his relatives may be deemed as concerned or interested otherwise in the resolutions. Except that none of the other directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

Shri Anil Choudhary is a promoter and also holds 4,49,200 equity shares of Rs. 10/- each consisting of 3.80% of the total paid up capital of the Company.

The Information as required under section II, Part 2 of the Schedule V with reference to point no. 4 & 5 are being given as under:

I. General Information:

(1) Nature of industry	The company is a manufacturer of FIBC, Bulk Bags, Poly-tarpaulin, woven sacks/bags, etc and the company is also having solar power project which is used for captive consumption.
(2) Date or expected date of commencement of commercial production	N.A., already existing in business
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A., already existing in business
(4) Financial performance based on given indicators	The Company has achieved gross turnover of Rs. 19,097.23 Lakhs for the year ended 31st March, 2020 and earned profits before Tax Rs. 1443.92 Lakhs.
(5) Foreign investments or collaborations, if any.	48,176 equity shares were hold by the NRI, which are about 0.41% of the total paid up share capital of the company.

II. Information about the appointee:

		Shri Virendra Singh Pamecha	Shri Anil Choudhary
(1)	Background details	Shri Virendra Singh Pamecha is having more than 32 years in excise, customs, production, labour and related activities at plant level of working experience in Manufacturing Industries; he acts as occupier and is entrusted with control of affairs of the Company's factories situated at Pithampur (M.P.).	Shri Anil Choudhary has an experience of more than three decades in plastic packaging industry. He is entrusted with the responsibility of looking after the overall management and operations of the Company. He is the guiding force behind the strategic decisions of the

			COMSYN and has given his significant contribution and support in managing the business affairs for the growth and success of the Company.
(2)	Past remuneration	The total Remuneration for the year period 2019-20 was Rs. 11.65 Lakhs	The total Remuneration for the year period 2019-20 was Rs. 36.00 Lakhs
(3)	Recognition or awards	Nil	Nil
(4)	Job profile and his suitability	Shri Virendra Singh Pamecha, Whole-time Director is having ultimate control over the affairs of the manufacturing plant at Pithampur and he is also appointed as "Occupier" under the Factories Act, 1948 subject to superintendence and control of the Managing Director and Board of directors.	Shri Anil Choudhary is the Promoter, Chairman & Managing Director of the Company. He has been the director of Company since incorporation.
(5)	Remuneration proposed	Rs. 21.00 Lakh+ perks as may be admissible.	Rs. 84.00 Lakh+ perks as may be admissible.
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is comparable with remuneration for equivalent position in a unit of comparable size and complexity.	The remuneration proposed is comparable with remuneration for equivalent position in a unit of comparable size and complexity.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Withdraws remuneration from the company in capacity of Whole-time Director of the Company.	Withdraws remuneration from the company in capacity of Managing Director of the Company. He is also relative of Mrs. Ranjana Choudhary (Whole-time Director), Mr. Ravindra Choudhary (Chief Executive Officer) and Mr. Pramal Choudhary (Chief Operating Officer)

III. Other information:

(1)	Reasons of loss or inadequate profits	There is no loss however, there may be inadequate profits due to adverse market position and matter of demand and supply or due to change in government policy, and then the profits may be inadequate in a particular period.
(2)	Steps taken or proposed to be taken for improvement	The Company is continuing efforts to introduce higher value products and broaden its operating base.
(3)	Expected increase in productivity and profits in measurable terms	The Company expect to increase its turnover and profits by about 5-8% every year.

Item No. 6

Shri Chintan Pushpraj Singhvi (DIN: 07334755) was appointed as the Independent Directors of the Company to holds office as Independent Director upto 29th November, 2020 (“first term”).

The Nomination and Remuneration Committee (NRC) of the Board of Directors, on the basis of the report of performance evaluation, has recommended for his re-appointment as the Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given his background and experience and contributions made by him during his tenure, the continued association would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint him as an Independent Director, not liable to retire by rotation.

Aforesaid independent director proposed for re-appointment is not disqualified to act as a Director in terms of section 164 of the Act and other applicable laws and has given his consent to act as a Director. The Company has also received declaration from him stating that he meets the criteria of independence as prescribed under section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015. In the opinion of the Board, he fulfils the criteria of independency and the conditions for his re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015 and further he is also registered under the Independent Directors Databank maintained by IICA.

Copy of draft letter of re-appointment setting out the terms and conditions of the re-appointment is available for inspection by the members at the Registered Office and on the website of the Company.

The aforesaid director may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend to pass the resolution as set out in the Item No. 6 of the Notice by way of special resolution.

Date: 2nd September, 2020

Commercial Syn Bags Limited

CIN: L25202MP1984PLC002669

Regd. Office: Commercial House,

3-4, Jaora Compound, M.Y.H. Road,

Indore-452001 (M.P.)

By Orders of the Board of Director

Sandeep Patel

Company Secretary

ACS 54908

BOARDS' REPORT

To,
 The Members of,
Commercial Syn Bags Limited

Your Directors take pleasure in presenting the **36th Annual Report** along with the audited financial statements for the year ended 31st March, 2020.

HIGHLIGHTS OF FINANCIAL PERFORMANCE

- Total revenue for the year was Rs. 19,283.70 Lakhs as compared to Rs. 20,776.28 Lakhs in the previous year, decreased by 7.18%.
- Revenue from operations for the year was Rs.19,097.23 Lakhs as compared to Rs. 20,667.66 Lakhs in the previous year, decreased by 7.60%.
- Profit before tax for the year was Rs. 1443.92 Lakhs as compared to Rs. 1501.25 Lakhs in the previous year, decreased by 3.82%.
- Profit after tax for the year was Rs. 1142.26 Lakhs as compared to Rs. 1129.37 Lakhs in previous year in the previous year, increased by 1.14%

SUMMARISED PROFIT AND LOSS ACCOUNT

(₹ in Lakhs)

Particulars	Year ended on	
	31.03.2020	31.03.2019
Revenue from Operations (Net)	19,097.23	20,667.67
Other Income	186.47	108.61
Total Income	19,283.70	20,776.28
Profit before Interest, Depreciation & Tax (EBIDTA)	2,562.93	2,574.13
Less: Interest	428.90	557.40
Less: Depreciation	690.11	615.48
Profit before Tax	1,443.92	1,501.25
Less: (a) Current Tax	247.93	349.54
(b) Deferred Tax	53.73	22.35
Net Profit for the year from continuing operations	1,142.26	1,129.37
Balance of Retained Earnings	4269.64	3185.56
Appropriations:		
Add: IND AS Impact	0.00	2.36
Less: Dividend (Final/Interim)	94.54	39.52
Less: Dividend Distribution Tax (DDT)	19.43	8.12
Net Surplus in the statement of Profit and Loss	5297.93	4269.65
Other Comprehensive Income and its movement	(15.23)	(13.83)
Balance of Other Equity	426.64	426.64
Balance Carried to Balance Sheet	5709.34	4682.46
Paid up Equity Share Capital	11817400	11817400
EPS (Equity Shares of Rs. 10/- each) Basic & Diluted (in Rs.)	9.67	9.56

STATE OF THE COMPANY'S AFFAIRS & REVIEW OF OPERATIONS

The Company is carrying business of manufacturer, producers, processors, importers, exporters, buyers and sellers of FIBC,

HDPE/PP Tarpaulin, HDPE/PP Woven Sacks/Bags, BOPP Bags, HDPE/PP Fabric, Ground Covers, Pond Liners, Mulch Films, Laminates, Vermi Beds and Flexible Pipes from its Plants located at Pithampur, District Dhar, (M.P.). The company is working in following Segments

Manufacturing Segment and Trading Segment

In addition to that the Company is also having solar, plant power generated from solar power plant is captively consumed. The solar power generation segment is integral part of manufacturing segment.

Further your company has also incorporated its wholly owned subsidiary in the name and style of “Comsyn India Private Limited” on 26th August, 2020. However, the said subsidiary is yet to commence business activities.

IMPACT OF COVID-19

In the last month of FY 2019-20, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lockdowns of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees and on minimizing disruption to services for all our customers globally. The outbreak of novel Coronavirus (Covid-19) has impacted the business operations of the company by way of interruption in production activities, supply chain and availability of manpower. The nation wide lockdown was effective from midnight of 24th March, 2020. This lockdown was preceded by imposition of Janta Curfew on 22nd March, 2020. The Company however resumed partial operation of all the units at Pithampur w.e.f. 28th March, 2020 with reduced workforce after getting requisite permission from the MPIDC, Regional Office, Indore after adhering to the all the conditions as imposed in the permission and since then the production and sales have been stabilizing after facing the initial problem related to resume of our operation.

The operation at manufacturing units situated at Pithampur were started with reduced workforce since 28th March, 2020. Administrative office at Pithampur is also working with reduced staff during this pandemic period and with alternate present at the workplace. However, the registered office situated at Indore could not open till 30th May, 2020 and has resumed the work from 1st June, 2020 with reduced staff. Administrative staff who could not be present at the workplace were working from home (WFH) and there is no remarkable impact of WFH on the company's operation.

The company has a good order book for export and domestic market. So, the company does not envisage any major impact on its operation. However, the cost of operation is increased due to social distancing norms, strict procedure of sanitation and other related overhead expenses. The pandemic has resulted in increase in transport cost of employees and other transportation expenses.

The Plant is operating with complete compliance of all directives related to maintaining of Social Distancing and mandatory to wear face mask and have proper sanitizations.

The impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration accordingly the impact may be different from that estimated as at the date of approval of these financial results. The company will continue to monitor any material changes to future economic conditions.

Updates on Ongoing Project:

1. Update of new project of Capacity addition by way of expansion of Company's Unit II situated at Plot No. S- 2/1,3/1,3/2, Sector-I, Pithampur, Dist. Dhar(M.P.)

Pursuant to the approval of Board of Directors of the Company initiated the capacity addition in April, 2020 by way of expansion of the Company's Unit II situated at plot No. S-2/1, 3/1, 3/2, Sector-I, Pithampur, Dist. Dhar (M.P.) by setting up of manufacturing facilities by installation of Multifilament Plant, Lamination Plant, Twisting Machine, Automatic Bag Cutting Machine for manufacturing of Small Bags, Tarpaulin, FIBC Bags, Multifilament Thread, The Company have successfully installed the above said machine but due to the pandemic COVID-19, unable to start the trial run and commercial production by 1st April, 2020, however it is expected to commence commercial production by September, 2020. Trial run of the project is in process.

CREDIT RATING:

ICRA Limited vide their letter number D/RAT/2019-20/C-215/1 dated 24th February, 2020 have assigned the following ratings to the bank loan facilities of Rs. 86 Crores availed by the Company:

Total Bank Loan Facilities Rated	Rs.86 Crore (Rs.Eighty Six Crores)
Long Term Rating	ICRA BBB+ /Stable
Short-Term Rating	ICRA A2

DIVIDEND

Your Board of directors pleased to recommend a dividend @ 15% (Rs.1.50 per equity shares of Rs. 10/- each on 1,18,17,400 Equity Shares) for the Financial Year 2019-20 aggregating to Rs.177.26 Lakhs (Previous year @ 8% (Re.0.80 per equity shares of Re. 10/- each on 1,18,17,400 Equity Shares).

Any Member of the company who wishes to relinquish their dividend rights in the participate in the final dividend @ 15% (Rs.1.50) per share are requested to fill up the form as available on the website of the company www.comsyn.com and send it to the Company Secretary of the company by way of email at cs@comsyn.com /investors@comsyn.com or investor@bigshareonline.com or by the Registered Post or by hand as the case may be.

The aforesaid final dividend if any approved by the members shall be payable to those members whose names appears in the records (subject to the consideration of the request for relinquishment of the rights for participate in the final dividend if any) of the depositories as on the cut off date 22nd Sept., 2020.

Pursuant to Finance Act, 2020, dividend, if any, declared by the Company will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company shall be required to deduct tax at source from dividend paid to shareholders at the prescribed rates as notified by the Finance Act, 2020.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently. Judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020.
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the Annual Accounts on a going concern basis;
- e. that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31st March,2020 was Rs. 1181.74 Lakhs divided into 1,18,17,400 equity shares of Rs. 10/- each. During the year under review the Company has not issued equity shares or shares with differential voting rights or granted stock options or sweat equity.

TRANSFER TO RESERVES

There is no mandatory requirement for transfer of the profits to the general reserves, therefore to provide an open ended opportunity to utilize the profits towards the Company activities, during the year under review the Board have not considered appropriate to transfer any amount to the general reserves or any other reserves. (Previous year Nil)

FINANCE

Cash and cash equivalent of the Company as at 31st March,2020 is Rs. 448.78 Lakhs (Previous year Rs. 336.96 Lakhs). Your Company continues to focus on management of its working capital. Receivables, inventories and other working capital parameters are kept under continuous monitoring. Your company has availed the various credit facilities from the Bankers of the Company for short term and long-term financial requirements from time to time.

DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2020. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

Interim dividend for the Financial Year	2019-20
1. Details of Deposits accepted during the year	Nil
2. Deposits remaining unpaid or unclaimed at the end of the year	Nil
3. Default in repayment of deposits At the beginning of the year Maximum during the year At the end of the year	N.A.
4. Deposits not in compliance with law	N.A.
5. NCLT/ NCLAT orders w.r.t. depositors for extension of time and penalty imposed	N.A.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not made any investment or provided any loan and guarantees pursuant to section 186 of the Companies Act, 2013.

CSR INITIATIVES

In view of the profits of the company, your Company was required to undertake “Corporate Social Responsibility (CSR) activities during the year 2019-20 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under CSR the Company has carried various activities, which are in accordance with CSR Policy of the Company read with the Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as “Annexure A”.

OCCUPATIONAL HEALTH & SAFETY (OH&S)

This initiative involved positive engagement of personnel on the plant at every level. With regard to contractor safety, two key areas of focus were identified, namely Facility Management for the contractors’ employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for contract labor such as washrooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management Program ensured that the tools used by contractors were safe. The process of screening of contractors was made more stringent to ensure that the contractors were aligned with the Company’s objectives to ensure ‘Zero Harm’.

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

The Company has in place a Policy for prevention of Sexual Harassment at the workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 (“SHOW”). As per the requirement of the SHOW and Rules made thereunder, your company has constituted Internal Complaints Committees (ICC). All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Internal Complaints Committee comprises of the following:

- Smt. Ranjana Choudhary : Chairperson
- Ms. Harsha Mankar : Member
- Ms. Palak Jaiswal : Member

The committee was reconstituted w.e.f. 29th June, 2020 and Ms. Harsha Mankar has replaced Ms. Neha Singh w.e.f. 29th June, 2020 as decided by board. Statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under: -

Category	No. of complaints pending at the beginning of F.Y. 2019-20	No. of complaints filed Field during the F.Y. 2019-20	No. of complaints disposed off during the F.Y. 2019-20	No. of complaints Pending as at the end of F.Y. 2019-20
Sexual Harassment	Nil	Nil	Nil	Nil

Since, no complaint is received during the year which is appreciable as the management of the company endeavor to provide safe environment for the female employees of the company.

RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY

The Company is operating in manufacturing and trading of FIBC, HDPE/PP Tarpaulin, HDPE/PP Woven Sacks/Bags, BOPP Bags, HDPE/PP Fabric, Ground Covers, Pond Liners, Mulch Films, Laminates, Vermi Beds and Flexible Pipes. The major risks factors involved in the manufacturing and trading process is constantly maintaining high quality standards, fluctuations in the price of raw materials, risks from International competitors, fluctuations in currency rates, etc. Other than this, the Government Policy, local area authority, Taxation Policy may adversely affect the profitability of the Company subject to various process and clearance etc. as may be decided by the concerning State Government. Further, general market conditions relating to the demand, supply, and price relating to the products of the company also affect the business operations of the Company.

Internal Financial Control & its effectiveness

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has appointed Internal Auditors and the scope and authority of the Internal Audit (IA) function is defined in the procedure and appointment letter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

Based on the report of internal audit and process the company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon, if any, are presented to the Audit Committee of the Board.

Vigil Mechanism/Whistle Blower Policy

The Company has a vigil mechanism named Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are annexed to the Board Report as “Annexure B” and are also posted on the website of the Company. (http://www.comsyn.com/wp-content/uploads/2017/10/CSBL_Vigil-Mechanism-Whistle-Blower-Policy.pdf)

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE OF THE COMPANY

As on the close of the Financial Year, The Company does not have any subsidiary, associate or joint venture during the financial year 2019-20 as well as at the beginning or closing of the financial year therefore the financial statement is prepared on standalone basis and the requirement for disclosure in the Form AOC-1 is not applicable.

However, the Company is an associate of Super Sack Pvt. Ltd. which is holding 34,41,793 (excluding 24,563 shares kept in the Pool Account of the Depository) equity shares representing 29.12% as on 31st March, 2020 of total paid up equity share capital of the Company and categorized under the promoter group. Thus, Super Sack Pvt. Ltd. is holding total 34,66,356 (29.33%) shares of the Company as on 31st March, 2020.

Further, after the closing of the financial year, the Company has incorporated a Wholly Owned Subsidiary in the name of **COMSYN INDIA PRIVATE LIMITED** on 26th August, 2020 to manufacture all types of Woven Sacks, FIBC Bags, Jumbo Bags, Big Bags, Bulk Bags, Non-Woven Bags, Leno Bags, Fabric, Plastic Tarpauline, Pond Liners, Mulch Films, Vermi beds, Flexible Pipes, Geo membrane and all types of flexible and other packaging material made up of Polymers and Plastic Granules or any other material which is required for packing grains, seeds, fertilizers, chemicals or any other article or product on retail as well as wholesale basis in India or elsewhere. The Subsidiary Company yet to commence business activities.

BOARD OF DIRECTORS, THEIR MEETINGS & KMPs

Constitution of the Board

The Board of directors are comprising of total 6 (Six) Directors, which includes 3(Three) Independent and 1 (One) Women directors. The Chairman of the Board is also Promoter and Managing Director. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision-making process and provide guidance to the executive management to discharge their functions effectively.

Board Independence

Our definition of 'Independence' of Directors or Regulation is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having total 6 directors in the Board out of them the following directors are independent directors:

1. Mr. Hitesh Mehta
2. Mr. Milind Mahajan
3. Mr. Chintan Pushpraj Singhvi

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years, who shall be eligible for re-appointment for a second term by passing of a special resolution by the Company and shall not be liable to retire by rotation.

Declaration by the Independent Directors

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. The Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2019-20 and All the Independent Directors have also registered themselves with Independent Directors' Data bank.

The Independent Directors have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act. Further as per the provisions of Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 as amended from time to time; the directors are not aware of any circumstance or situation, which exists or may be reasonable anticipated that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence and that he/she is independent of the management.

Directors seeking re-appointment in the ensuing General Meeting:

Upon the recommendation of the Nomination and Remuneration Committee, your Board of Directors has recommended to re-appoint the following directors by passing Special resolution in the ensuing Annual General Meeting to be held on 29th Sept., 2020:-

- 1) Re-appointment of Shri Chintan Pushpraj Singhvi (DIN 07334755) as an Independent Directors for a second term of 5 (Five) Consecutive Years w.e.f. 30th Nov., 2020 not liable to retire by rotation;
- 2) Re-appointment of Shri Anil Choudhary (DIN 00017913) as the Chairman and Managing Director of the company for a period of 5 years w.e.f. 20th Feb., 2021;
- 3) Re-appointment of Shri Virendra Singh Pamecha (DIN 07456367) as the Whole-time Director of the company for a period of 5 years w.e.f. 26th March, 2021.

Directors liable to retire by rotation seeking re-appointment:

Shri Anil Choudhary, (DIN 00017913), the Chairman and Managing Director is liable to retire by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment. Your directors recommend to pass necessary resolution as proposed in the Item No. 3 of notice of the Annual General Meeting.

Executive Directors and Key Managerial Personnel and their changes

Shri Anil Choudhary, Chairman & Managing Director, Smt Ranjana Choudhary and Shri Virendra Singh Pamecha, Whole-time

Directors, Shri Ravindra Choudhary, CEO, Shri Abhishek Jain, CFO and CS Sandeep Patel, Company Secretary & Compliance Officer, have been categorized as Key Managerial Personnel within the meaning of section 203 of the Companies Act, 2013.

There was no change in the composition of Directors during the Financial Year 2019-20, however, except the following Key Managerial Personnel (KMP) after the closure of Financial Year:

1. CS Anamika Gupta, Company Secretary & Compliance Officer has resigned w.e.f. 15th July 2020.
2. CS Sandeep Patel, was appointed as Company Secretary & Compliance Officer w.e.f. 16th July, 2020.

Meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business:

The notice of Board meetings is given well in advance to all the Directors. Meetings of the Board are held in Indore, at the Registered Office of the Company. The Agenda of the Board/Committee meetings along with the relevant Board papers is circulated at least a week prior to the date of the meeting. However, in case of urgent business needs, notice & agenda of Board/Committee meetings were circulated on shorter notice period with consent and presence of Independent Directors at the Meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met 5 (Five) times in the Financial Year 2019-20 viz., 20th May, 2019; 22nd August, 2019; 13th September, 2019; 13th November, 2019; 1st February, 2020. The maximum interval between any two meetings did not exceed 120 days.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 13th November, 2019 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), is uploaded on company's website –([http://comsyn.com/wp-content/uploads/2018/08/Revised NOMINATION-AND-REMUNERATION-POLICY-2-1.pdf](http://comsyn.com/wp-content/uploads/2018/08/Revised%20NOMINATION-AND-REMUNERATION-POLICY-2-1.pdf))

Annual evaluation by the Board

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

- i. Attendance of Board Meetings and Board Committee Meetings.
- ii. Quality of contribution to Board deliberations.
- iii. Strategic perspectives or inputs regarding future growth of company and its performance.
- iv. Providing perspectives and feedback going beyond the information provided by the management.
- v. Commitment to shareholder and other stakeholder interests.

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of directors. A member of the Board will not participate in the discussion of his/her evaluation.

COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and other purposes the Board has the following Five (5) committees:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;

- (c) Stakeholders' Relationship Committee;
- (d) Corporate Social Responsibility Committee (CSR);
- (e) Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace.

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this report.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year 2019-20 were on Arm's Length Basis and were in the Ordinary Course of business. There are certain material related party transactions after taking prior approval of members in the Annual General Meeting held on 18th Sept., 2019 with certain persons and the company is enclosing Form AOC-2 as "Annexure C" in this Board Report.

All Related Party Transactions were approved by the Audit Committee on omnibus basis or otherwise and also by the Board. The Company has Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

AUDITORS, THEIR REPORT AND COMMENTS BY THE MANAGEMENT

Statutory Auditors

M/s Avinash Agrawal & Co., Chartered Accountants, (ICAI Firm Registration No. 022666C), the Statutory Auditors were appointed for a term of consecutive 5 (Five) years at 35th Annual General Meeting of the Company held on 18th September, 2019 till the 40th Annual General Meeting of the company to be held in the calendar year 2024 at such remuneration as may be approved by the Audit Committee and Board of Directors of the company as per the provisions of section 139 of the Companies Act, 2013, As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board.

The Auditors Reports and the Notes on financial statements for the year 2019-20 referred to in the Auditor's Report are self-explanatory does not contain any qualifications, reservation or adverse remark and do not call for any further comments.

Secretarial Auditors

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s Ishan Jain & Co., Practicing Company Secretaries(Firm Reg. No. I2014MP1139600; FCS 9978; CP 13032)to undertake the Secretarial Audit for the year, 2019-20. The Report of the Secretarial Auditors in the Form MR-3 is annexed herewith as "Annexure D" of this report. Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board, except that:

- 1) *Some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;*

Management Comments: There was delay in filing of the particulars some forms with ROC due to technical reasons and company has already complied with the same and has filed those Forms and paid additional filing fee as prescribed. Therefore, there is no default as such and same has been considered as compliance under the relevant provisions of the Companies Act, 2013.

- 2) *Presently, about Rs. 54.08 Lakhs is the Un-spent amount as at 31st March, 2020 towards Corporate Social Responsibility by the company as required under section 135 of the Act.*

Management Comments: Company could not spend the remaining balance amount as the Company was in the process of identification of the suitable implementing agencies and are of activities for proper utilization of the CSR amount. Company is fully committed and dedicated towards its CSR. The company will endeavor to spend the unspent amount in the next financial years.

- 3) Pravi Investments LLP a person acting in concert with Super Sack Pvt. Ltd. (One of the Promoter of the company) has acquired 3,28,929 equity shares of Rs.10/- each about 2.77% and Super Sack Pvt. Ltd. (being the promoter) has also acquired 2,02,356 equity shares of Rs.10/- about 1.20% of the total paid up share capital of the Company during the year 2019-20 without complying with the Regulation 5 of SEBI (PIT) Regulations, 2015 relating to submission of Trading Plans and matters related there to. However, pre clearance approval was given by the compliance Officer under SEBI (PIT) Regulations, 2015.

Management Comments: Pravi Investment LLP and Super Sack Pvt Ltd has acquired shares in the year 2019-20 as a long term investment and they are not involved in any trading activities in the shares of the company. Therefore, they are not required to submit Trading Plan to the Company and Stock Exchange and they have complied with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to the Trading Plan.

The Board of Directors at their Meeting held on 29th June, 2020, have re-appointed M/s Ishan Jain & Co., Practicing Company Secretaries to undertake the Secretarial Audit for Financial Year 2020-21.

Cost Auditors

Your Company is not required to appoint a Cost Auditor for the year 2019-20. As per rule 4(2) of Companies (Cost Records and Audit) Rules, 2014 every company specified in item (B) of rule 3 shall get its cost records audited in accordance with these rules if the overall annual turnover of the company from all its products and services during the immediately preceding financial year is rupees one hundred crore or more and the aggregate turnover of the individual product or products or service or services for which cost records are required to be maintained under rule 3 is rupees thirty five crore or more. Since, it does not meet the threshold limit of aggregate turnover of the individual products for which cost records are required to be maintained under rule 3, therefore the company is not required to appoint Cost Auditor.

DISCLOSURE FOR FRAUDS REPORTED BY THE AUDITORS

As per the provisions of section 134(3) of the Companies Act, 2013 read with Rule 13(4) of the Companies (Audit and Auditors) Rules, 2014 no frauds were reported by the Auditors to Audit Committee/Board during the year under review. Further that there were no frauds committed against the Company and persons which are reportable under section 141(12) by the Auditors to the Central Government.

CORPORATE GOVERNANCE

Your Company firmly believes and adopts the highest standard of practice under Corporate Governance. A separate section on Corporate Governance and a certificate obtained from Auditors of the Company and Practicing Company Secretary related Disqualification of Directors form part of Corporate Governance Report.

CODE OF CONDUCT

Regulation 17(5) of the SEBI (LODR) 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. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same is hosted on the website of the company at following link. (http://www.comsyn.com/wp-content/uploads/2017/10/CSBL_Code-of-Conduct-for-BODKMPs-Senior-Management.pdf)

CONSOLIDATED FINANCIAL STATEMENTS

Since the company is not having any subsidiary, associates or joint venture, therefore, the requirement for Consolidated Financial Statements in accordance with relevant Accounting Standards (AS) is not applicable to the Company during the year 2019-20.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section

134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as “Annexure E”.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT

The outbreak of the novel corona virus pandemic (Covid-19) is causing significant discrepancies in economic activities, the impact of which has been discussed in Review of Operations which forms part of this Annual Report. Further, your company has promoted a wholly owned subsidiary in the name and style of “Comsyn India Private Limited” which was incorporated on 26th Aug., 2020. The Business of the subsidiary is yet to be commenced till date of signing of this report. Except the above no material changes and commitments affecting the financial position of the Company occurred during the Financial Year to which this financial statements relate and the date of report.

EXTRACT OF ANNUAL RETURN

Pursuant to the notification issued by the Ministry of Corporate Affairs on 28th Aug., 2020 related to disclosure of the Weblink of website where Form MGT-9 is placed and further the amendment made in Rule 12(1) Companies (Management and Administration) Rules, 2014 on dated 28th August, 2020 by insertion of the Provision related to disclosure of MGT-9 in Board Report and on Website. Since, the company has already placed Form MGT-9 on the website of the company at the following link <http://comsyn.com/wp-content/uploads/2020/09/Extract-of-Annual-Return-Form-MGT-9-2019-20.pdf>. Therefore, the company is not enclosing Form MGT-9 with this Report.

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE’S REMUNERATION AND PARTICULARS OF EMPLOYEES

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in the Annexure F.

During the year, none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum, or Rs. Eight Lakhs Fifty Thousand per month for the part of the year, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

INDUSTRIAL RELATIONS

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company and amended Code/Policy were also hosted on the website of Company.

The Code requires Trading Plan, pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Further the company has formulated new policy for Procedure of inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information (“UPSI”) framed under Regulation 9A(5) of SEBI (PIT) (Amendment) Regulations, 2018).

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has in place a Familiarization Program for Independent Directors to provide insights into the company to enable the Independent Directors to understand its business in depth and contribute significantly to the company's success. The Company has devised and adopted a policy on Familiarization Program for Independent Directors and is also available at the company's website at www.comsyn.com.

PROVISION OF VOTING BY ELECTRONIC MEANS THROUGH REMOTE EVOTING AND EVOTING AT THE AGM:

Your Company is providing E-voting facility including remote e-voting and e-voting at AGM under section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015. The details regarding e-voting facility including remote e-voting and e-voting at AGM is being given with the notice of the Meeting.

Further, In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8thApril, 2020, Circular No.17/2020 dated 13thApril, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated 5thMay, 2020, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) is to be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members are requested to attend and participate in the ensuing AGM through VC/OAVM only.

CAUTIONARY STATEMENT

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

ACKNOWLEDGEMENTS

Your Directors thanks the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of all other stakeholders of the Company viz. customers, members, dealers, vendors, and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

Place : Indore

Date : 2nd September, 2020

For and on behalf of the Board

Anil Choudhary
Chairman & Managing Director
DIN : 00017913

“Annexure-A”

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
1. A brief outline of the Company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and society at large. The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. The Company has framed a CSR Policy in Compliance with the provisions of the Companies Act, 2013. CSR Policy is stated at the Website of Company: (Link: http://www.comsyn.com/wp-content/uploads/2017/10/CSBL_CSR-Policy.pdf)

2. Composition of the CSR Committee:

1. Shri Anil Choudhary: Managing Director- Chairman
2. Shri Hitesh Mehta: Independent Director- Member
3. Smt. Ranjana Choudhary: Whole Time Director- Member

3. Average net profit of the Company for last three financial years:

Financial Year	Profit (₹ in Lakhs)
2018-19*	1501.25
2017-18	898.20
2016-17	758.84
Total (A)	3158.29
Average of above said Profit	1052.76
2% of Average Profit	21.06

* Net Profit Before Tax has changed due to IND AS impact.

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above):

The Company was required to spend Rs.21.06 Lakhs towards CSR during the Financial Year 2019-20 and the Company is carrying the unspent amount of Rs. 53.11 Lakhs for the year 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19. Therefore, the Company was required to spend a total aggregate amount of Rs. 74.17 Lakhs upto 31st March, 2020. However, your Company has expended Rs. 19.99 Lakhs towards the CSR activities till 31st March, 2020.

5. Details of CSR spend for the financial year

- a. Total amount spent during the financial year 2019-20: Rs. 19.99 Lakhs
- b. Unspent amount of CSR activities for 2014-15 to 2019-20 : Rs. 54.18 Lakhs
- c. Manner in which the amount spent during the financial year is detailed below:

(Rs. in Lakhs)

S. No.	Project/ Activities identified	Sector in which the project is covered	Location of the project undertaken	Amount outlay/ budget on project or program wise	Amount spent on the projects or programs	Cumulative expenditure up to reporting period	Amount spent direct or through implementing agency
1.	For tribal populations Populations	measures for reducing inequalities faced by socially and economically backward groups	Indore (M.P.)	34.17	13.28	13.28	Through various implementing Agencies of the concerned filed

2.	For education of the children To help the blind peoples for education	Promoting education among children	Indore (M.P.)	15.00	0.81	14.09.	
3.	Gaushala's for rehabilitation of cows	Animal Welfare	Indore (M.P.)	20.00	5.74	19.83	
4.	Prime Minister Relief and Care Fund	Fund Set up by the Central Government	All over India	5.00	0.16	19.99	
				74.17	19.99	19.99	

6. During the financial year Company has spent Rs. 19.99 Lakhs out of Rs. 74.17 Lakhs budget outlets and the Company could not spend the remaining balance amount (Rs. 54.18 Lakhs) as the Company could not find suitable implementing agency and location of the activities for proper utilization of the CSR amount. Company is fully committed & dedicated towards its Social Responsibility. The balance amount would be spent in the subsequent financial years.
7. The CSR Committee of the Board of Directors hereby confirms that implementation and Monitoring is fully in accordance with the CSR Policy of the Company. The amount spent under CSR activities was fully complied with CSR objective and Policy of the Company. The said contribution does not violate any provision of the Companies Act, 2013 and Rules made there under.

Place : Indore

Date : 29th June, 2020

For and on behalf of the Board

Anil Choudhary
Chairman & Managing Director
DIN : 00017913

“Annexure-B”
VIGIL MECHANISM / WHISTLE BLOWER POLICY

[Under Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

1. PREFACE

- 1.1 Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2. In the draft Rules under Companies Act, 2013, among others, a company which has borrowed money from banks and public financial institutions in excess of Rs.50 crores need to have a vigil mechanism.
- 1.3. Under these circumstances, COMMERCIAL SYN BAGS LIMITED, being a Limited Company proposes to establish a Whistle Blower Policy/Vigil Mechanism and to formulate a policy for the same.

2. DEFINITIONS

- 2.1. “Alleged wrongful conduct” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- 2.2. “Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Companies Act, 2013.
- 2.3. “Board” means the Board of Directors of the Company.
- 2.4. “Company” means the company, “Commercial Syn Bags Ltd” and all its offices.
- 2.5. “Code” means Code of Conduct for Directors and Senior Management Executives adopted by Commercial Syn Bags Ltd.
- 2.6. “Employee” means all the present employees and Whole Time Directors of the Company (Whether working in India or abroad).
- 2.7. “Protected Disclosure” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 2.8. “Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 2.9. “Vigilance and Ethics Officer” means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 2.10. “Whistle Blower” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

3. POLICY OBJECTIVES

- 3.1. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come

forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

- 3.2. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

4. SCOPE OF THE POLICY

- 4.1. This Policy covers mal practices 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.

5. ELIGIBILITY

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.

- 6.1. All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.
- 6.2. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower policy”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- 6.3. Anonymous/Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 6.4. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer/Chairman of the Audit Committee/ CEO/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 6.5. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ CEO/ Chairman in exceptional cases. The contact details of the Vigilance and Ethics Officer;

Mr. Hitesh Mehta

Chairman of the Audit Committee

Email: hitesh1950@gmail.com

- 6.6. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman/ CEO of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman, CEO and the Chairman of the Audit Committee are as under:

Chairman & Managing Director

Mr. Anil Choudhary Email: anil@comsyn.com

Chief Executive Officer (CEO)

Mr. Ravindra Choudhary

Email: ravi@comsyn.com

Chairman of the Audit Committee

Mr. Hitesh Mehta (Independent Director)

Email: hitesh1950@gmail.com

- 6.7. On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ CEO / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:
- a) Brief facts;
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether the same Protected Disclosure was raised previously on the same subject;
 - d) Details of actions taken by Vigilance and Ethics Officer / Chairman/ CEO for processing the complaint
 - e) Findings of the Audit Committee
 - f) The recommendations of the Audit Committee/ other action(s).
- 6.8. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

7. INVESTIGATION

- 7.1. All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- 7.2. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- 7.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 7.4. Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- 7.5. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- 7.6. Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 7.7. Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 7.8. Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 7.9. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

8. DECISION AND REPORTING

- 8.1. If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- 8.2. The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 8.3. In case the Subject is the Chairman/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SECRECY / CONFIDENTIALITY

- 9.1. The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
 - 9.1.1. Maintain confidentiality of all matters under this Policy
 - 9.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
 - 9.1.3. Not keep the papers unattended anywhere at any time
 - 9.1.4. Keep the electronic mails / files under password.

10. PROTECTION

- 10.1. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 10.2. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 10.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.
- 10.4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

10.5. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules/ certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

12. COMMUNICATION

A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

13. RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

14. AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

Form AOC-2

“Annexure-C”

Particulars of contracts/arrangements entered into by the Company with related parties -*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

For disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013

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

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

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount (in `) paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)
Mr. Pramal Choudhary being relative of Mr. Anil Choudhary, CMD & Ravindra Choudhary CEO	Remuneration by way of salary & perquisites.	Long Term	Appointed as COO on the monthly remuneration upto Rs. 3.50 Lakhs P.M.	Members approval on 18th Sept, 2019	0

For and on behalf of the Board

Place : Indore

Date: 2nd September, 2020**Anil Choudhary**

Chairman and Managing Director

DIN: 00017913

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 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,
Commercial Syn Bags Limited
 Commercial House, 3-4, Jaora Compound,
 M. Y. H. Road, Indore (M.P.) 452001

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

Based on our verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial year ended 31st March, 2020 (“Audit Period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the **financial year ended on 31st March, 2020**, 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 By-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): —
 - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
 - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
 - (c) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (ii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company under the financial year under report: -
 - (a) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (c) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;

- (d) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
- (e) The SEBI (Buyback of Securities) Regulations, 1998.

We 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. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

The Company is having business of manufacturing of FIBC, PP Fabric, Woven sacks & Tarpaulin, Trading Activities and Solar Energy (for Captive consumption) therefore, as such no specific law relating to its manufacturing and business activities are applicable to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015 as amended from time to time.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following: -

- 1) *Some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;*
- 2) *Presently, about Rs.54.08Lakhs is the Un-spent amount as at 31st March, 2020 towards Corporate Social Responsibility by the company as required under section 135 of the Act.*
- 3) *Pravi Investments LLP a person acting in concert with Super Sack Pvt. Ltd. (One of the Promoter of the company) has acquired 3,28,929 equity shares of Rs.10/- each about 2.77% and Super Sack Pvt. Ltd. (being the promoter) has also acquired 2,02,356 equity shares of Rs.10/- about 1.20% of the total paid up share capital of the Company during the year 2019-20 without complying with the Regulation 5 of SEBI (PIT) Regulations, 2015 relating to submission of Trading Plans and matters related there to. However, pre clearance approval was given by the compliance Officer under SEBI (PIT) Regulations, 2015.*

We further report that the Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice was given to all the directors to schedule the Board Meetings and agenda were also sent at least seven days in advance and shorter notice consent was taken where required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of directors and Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific Acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company for the applicable taxation Laws like Direct Taxes, Indirect Taxes and the compliance of the IND-AS, disclosure of the financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith have not been reviewed by us, since the same have been subject to the statutory financial auditor or by other designated professionals.

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

We further report that during the audit period of the Company has certain specific events which have bearing on company's affairs which are as follows:-

1. The Company resumed partial operation of all the units at Pithampur w.e.f. 28th March, 2020 with reduced workforce after getting requisite permission from the MPIDC, Regional Office, Indore after adhering to the all the conditions as imposed in the permission, also Administrative office at Pithampur is also working with reduced staff during this pandemic period and with alternate present at the workplace.
2. The Company was listed with the BSE under the SME Platform and the company has made an application to BSE for migrating from SME Platform to Main Board and has received Approval letter from BSE Ltd. vide Ref. No. LO/MIG/PP/MIG-TP/73/2019-20 dated 10th May, 2019 in which BSE has approved the migration of 1,18,17,400 equity shares of Rs. 10/- each to Main Board of BSE from BSE SME Platform w.e.f. 13th May, 2019.

For, Ishan Jain & Co.
 Company Secretaries
 F.R. No.: I2014MP1139600

UDIN: F009978B000466456
Place : Indore
Date: 2nd September, 2020

CS Ishan Jain
 Proprietor
 FCS:9978: CP :13032

Annexure - I to the Secretarial Audit Report

List of specific/other laws generally applicable to the Company during the year 2019-20

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Standard Weight and Measurement Act;
4. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on it payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
5. Acts prescribed under prevention and control of Pollution;
6. Acts prescribed under Environmental protection;
7. Act and Rules as prescribed under Direct Tax and Indirect Tax Laws;
8. Labour Welfare Act;
9. Local laws as applicable to the Registered office and plant;
10. The Electricity Act, 2003;
11. The Special Economic Zone Act, 2005;
12. Rules framed there under Ministry of New and Renewable Energy.

For, Ishan Jain & Co.
 Company Secretaries
 F.R. No.: I2014MP1139600

UDIN: F009978B000466456
Place : Indore
Date: 17th July, 2020

CS Ishan Jain
 Proprietor
 FCS:9978: CP :13032

Annexure - II to the Secretarial Audit Report

To,
The Members,
Commercial Syn Bags Limited
Commercial House, 3-4, Jaora Compound,
M.Y. H. Road, Indore (M.P.) 452001

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the Management representation and also relied 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, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they needs to take independent advise or decision as per their own satisfaction.

For, Ishan Jain & Co.
Company Secretaries
F.R. No.: I2014MP1139600

UDIN: F009978B000466456
Place : Indore
Date: 17th July, 2020

CS Ishan Jain
Proprietor
FCS:9978: CP :13032

“Annexure-E”

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]

(A)	CONSERVATION OF ENERGY		
(I)	the steps taken or impact on conservation of energy;	The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. The Company is utilizing latest machinery to save the power consumption. It is using the Air Ventilators for reducing the temperature naturally at the work place	
(II)	the steps taken by the company for utilizing alternate sources of energy;	The Company had already installed the Solar Power Generating System and the electricity generated at the Solar Power Plant is captively used by the Company at its manufacturing unit. It results in reduction of power cost and increase in efficiency. During this year 18.03 Lakhs units of electricity were generated from this plant. The Company is installing roof top Solar Power Generating System of 247.95 kwp at the expansion project of Unit – II for captive consumption.	
(III)	the capital investment on energy conservation equipment's	The cost of Solar Power Generating System is Rs. 78.65 Lakhs	
(B)	TECHNOLOGY ABSORPTION		
(i)	the efforts made towards technology absorption	The Company always adopts the latest technology while purchasing the plant and machinery. The Company is making continuous efforts for the technological advancement.	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It has reduced the cost of production and helped in improvement in quality to sustain in the competitive market.	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A.	
	(a) the details of technology imported	N.A.	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	the expenditure incurred on Research and Development	2019-20 Nil	2018-19 Nil
(D)	FOREIGN EXCHANGE EARNINGS AND OUTGO	(₹ in Lakhs)	(₹ in Lakhs)
(i)	The Foreign Exchange earned in terms of actual inflows during the year;	13980.87	16163.89
(ii)	And the Foreign Exchange outgo during the year in terms of actual outflows.	2065.40	1246.93

For and on behalf of the Board

Place : Indore

Date : 2nd September, 2020

Anil Choudhary
Chairman & Managing Director
DIN : 00017913

“Annexure-F”

Particulars of Remuneration of Directors and Employees

[As per section 197(12) read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i. Ratio and remuneration of Directors & KMPs

S.No.	Name	Designation	Remuneration for the year 2019-20 (Rs.)	Remuneration for the year 2018-19(Rs.)	% Increase in Remuneration	Ratio Between Director orKMP and Median Employee
1	Shri Anil Choudhary	CMD	36,00,000	24,00,000	50.00%	41.72:1
2	Smt Ranjana Choudhary	WTD	12,00,000	10,50,000	14.28%	13.91:1
3	Shri Virendra Singh Pamecha	WTD	11,65,090	10,69,211	8.97%	13.50:1
4	Shri Hitesh Mehta	ID	32,000	38,000	N.A	N.A
5	Shri Milind Mahajan	ID	22,000	20,000	N.A	N.A
6	Shri Chintan Singhvi	ID	4,000	12,000	N.A	N.A
7	Shri Ravindra Choudhary	CEO	25,50,000	15,00,000	70.00%	29.55:1
8	Shri Abhishek Jain	CFO	10,34,923	10,41,856	Nil	11.99:1
9	CS Anamika Gupta*	CS	3,32,346	1,39,210	N.A	3.85:1

CS Anamika Gupta (CS) was appointed w.e.f 4th Oct., 2018. Therefore, the remuneration is not comparable.

ii. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –

As stated above in item no. (i).

iii. Percentage decrease in the median remuneration of employees in the financial year –:

The remuneration of Median employee was Rs. 86,292 during the year 2019-20 as compared to Rs. 92,004 in the previous year. The decrease in the remuneration of Median Employee was 6.21% during financial year under review.

iv. Number of permanent employees on the rolls of company –

As on 31st March, 2020 the total number of employees on roll was: 2335.

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

Based on Remuneration Policy of the Company, salary of the employees was increased around 6.21% on an average and managerial remuneration was increased as per point no. (i), this is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativeness are taken care of.

vi. Affirmation that the remuneration is as per the remuneration policy of the company:

The Company affirms that remuneration is as per the remuneration policy of the Company.

vii. Particulars of the top 10 employee in respect of the remuneration drawn during the year 2019-20 are as under.

S. No.	Name of Employee	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Remarks
1	Shri Anil Choudhary	Chairman & Managing Director	36,00,000	On contractual 1 basis	B.Sc., M.A., Diploma in Marketing Management (DMM) 35 Years	Since Incorporation of the Company	60 Years	-	Relative of Parmal Choudhary COO	-
2	Shri Pramal Choudhary	Chief Operating Officer	30,00,000	Permanent	MBA, 9 years	01.03.2010	32 Years	-	Yes (Mr. Anil Choudhary, CMD)	-
3	Shri Hemant Baid	General Manager-Marketing	15,15,000	Permanent	MBA, 13Years	03.11.2009	36 Years	Flexituff International Ltd.,Pithampur	NO	-
4	Shri Ravindra Choudhary	Chief Executive Officer	25,50,000	Permanent	Diploma in Finance & Tax Management and Diploma in Import Export Management 8Years	01.07.2011	45 Years	-	Yes (Mrs. Ranjana Choudhary, WTD)	-
5	Shri Ashok Gupta	HOD-Technical	18,90,000	Permanent	B.E., 35 Years	01.01.2016	58 Years	Neo Corp International Limited	NO	-
6	Shri Virendra Singh Pamecha	Whole Time Director	11,65,090	On contractual 1 basis	B.Com.29 Years		50 Years	India Nets, Pithampur	NO	
7	Smt Ranjana Choudhary	Whole Time Director	12,00,000	On contractual 1 basis	B.Com, Masters Degree in Computer Management 8 Years	05.06.2011	38 Years	-	No	
8	Shri Abhishek Jain	Chief Financial Officer	10,34,923	Permanent	M.Com, ACS, MBA (Fin.), LL.B (Hons.), LL.M 13 yrs.	01.10.2005	38 Years	-	No	-
9	Shri Gauri Shankar Agrawal	General Manager	14,24,224	Permanent	Chartered Accountant, 35 years	01.06.2018	58 Years	Bhatiya coal chennai	No	
10	Smt Kavita Gupta	GM - Administration	11,60,000	Permanent	M.Sc (Zoology), 15 15 years	01.01.2016	33 Years	Neo Crop International Limited	No	

For and on behalf of the Board

Place : Indore

Date : 2nd September, 2020

Anil Choudhary
Chairman & Managing Director
DIN : 00017913

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) Global Economy Overview

Global growth is projected at -4.9 percent in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. In 2021 global growth is projected at 5.4 percent. Overall, this would leave 2021 GDP some 6½ percentage points lower than in the pre-COVID-19 projections of January 2020. The adverse impact on low-income households is particularly acute, imperilling the significant progress made in reducing extreme poverty in the world since the 1990s

Latest World Economic Outlook Growth Projections

(real GDP, annual percent change)

Output	CY 2019	CY 2020	CY 2021
World Output	2.9	-4.9	5.4
Advanced Economies	1.7	-8.0	4.8
Emerging Markets and Developing Economies (EMDE)	3.7	-3.0	5.9

(Source – IMF, World Economic Outlook Update, June 2020)

World economic growth is showing effects of a multitude of uncertainties, including but not limited to trade tensions between the US and China, concerns around Brexit, leading to curbed investments, among other geo-political tensions. However, negotiations between the US and China since mid-October resulted in Phase One agreement. Partial roll-back of some US tariffs in exchange for Chinese commitments to make additional purchases of US products mark a de-escalation of trade tensions. To add to the challenges, COVID-19 has further worsened the situation. The spread of a global pandemic like one never seen before, has sent shockwaves to global health care infrastructure and a massive blow to almost all economies. In an attempt to curb the spread of this infectious virus, health care authorities and governments worldwide resorted to imposing lockdowns and restriction of movement. These lockdowns and restrictions on movements escalated a health care crisis into a financial crisis. These uncertainties in the economic environment are expected to have an adverse effect on corporate spending and capital expenditures. They are a major threat to investor confidence. Faced with these challenges, central banks worldwide including the most prominent ones have resorted to interest rate cuts, asset purchases in an attempt to infuse liquidity in the system. These methods aren't an exact solution to the crisis at hand, but they have subdued the effects and prevented, at least in the shorter run, a prolonged slowdown in the world economy. Since the crisis is ongoing and unfolding each day, it is difficult to evaluate its exact effects on the financial system.

(b) Indian Economy Overview

India has been among the fastest-growing economies in the world over the past few years. However, the year under review has been particularly challenging with the economy hitting one of its lowest growth records seen in recent past on account of weak macro-economic conditions. According to the IMF World Economic Outlook, India's GDP grew is at 4.2% in year 2019, -4.5% and 6.0% in 2020 and 2021. The tight liquidity conditions and weak consumer demand led to a deceleration in overall consumption and investment. Sharp rise in bad loans, which are now one of the highest in emerging markets, led to subdued credit growth putting significant strain on financial sector. India's factory output remained muted with all major segments like capital goods production, consumer durables, and infrastructure and construction goods showcasing weakness.

To address the growing macro concerns, Government of India undertook various measures to accelerate consumption, investment, and trade within the Indian economy. Corporate tax was cut to 22% and reduced tax rate of 15% was implemented for new companies in the manufacturing sector to provide further impetus for investment and growth. Despite these reforms and measures, the outbreak of novel COVID-19 pandemic during the fourth quarter and subsequent restriction of movement caused severe economic disruption and further exacerbated the prevailing stress on economy.

To protect and jumpstart the lockdown battered economy, Government launched a ` 20 lakh crore all-inclusive stimulus package called “Atmanirbhar Bharat” focussing on land, labour, liquidity, and laws and will cater to the various small, medium and large industries, labourers, middle class, urban and rural poor. While the virus outbreak has resulted in significant amount of uncertainty for businesses and any outlook would be inapt, growth in near term is likely to hinge on Government initiatives and cure for virus. Over the medium to longer run, India is well placed to witness strong growth on the back of its structural growth drivers.

India’s working-age population is now larger than its dependant population. This phenomenon is likely to last for another three decades which can bring about rapid economic growth as observed for other Asian countries in the past.

Government’s strong impetus to make India self-reliant or “Atmanirbhar” with indigenous manufacturing, and improving ease of doing business is likely to attract sizeable share of foreign investments, creating new jobs and spurring industrial and infrastructure growth in India. Over ` 3 trillion of support to MSMEs under “Atmanirbhar Bharat” package is likely to help revive medium and small businesses, encourage local manufacturing, and engender strong growth for Indian economy.

(c) Industry Overview

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90 percent of which are small and medium-sized enterprises. In FY20, plastic and linoleum export from India stood at US\$ 7.55 billion. During April 2019-January 2020, plastic export stood at US\$ 7.045 billion with the highest contribution from plastic raw material at US\$ 2.91 billion, plastic sheets, films and plates at US\$ 1.22 billion and packaging materials at US\$ 722.47 million. The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others. The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country. Among the industry’s major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.

India is ready to have 18 plastic parks and the Government will be investing Rs 40 crore (US\$ 6.2 million) to increase the domestic production of plastics. This will achieve environmentally sustainable growth and increase employment.

(Source – IBEF Overview of Indian Plastic Industry and Exports)

The FIBC industry has the potential to maintain positive growth through demand emanating from international as well as domestic industries. In the medium term, the increasing demand for Indian FIBC from major destination markets, viz, the USA and Europe and stable foreign exchange rates albeit increasing competition among the Indian manufacturers, is expected to retain the demand momentum. Entities with strong foothold in the international market with value added product portfolio, better working capital management and sound foreign exchange fluctuation risk management would be in a position to earn higher margins. (Source – Flexible Intermediate Bulk Container – Indian players to benefit from changing preference, Care Ratings – www.careratings.com).

Your Company is an ISO certified company engaged in the manufacturing and supply of Flexible Intermediate Bulk Container (FIBC), High Density Polyethylene (HDPE) and Polypropylene (PP) Woven Sacks/Bags, BOPP Bags, HDPE/PP Fabric, Pond Liners, Mulch Films, HDPE/PP Tarpaulin (under the brand name – TIGER TARPAULIN), Ground Covers, Laminates, Vermi Beds and Flexible Pipes (under the brand name – COMSYN SWAJAL) and Flexible Packaging for export and domestic markets. Other range of products are sold under the brand name – COMSYN.

Company’s customer base is spread across the globe with major presence in European Union, United Kingdom, United States and Latin America. The majority of sales are through exports which continue to contribute more than 70% of sales from manufacturing segment. The Company has also been recognised by Government of India as an Export House.

The Company is continuously doing Research and Development activities to produce best of its products as per the need of customers. The Company offers various packaging solutions for wide range of end users such as Construction, Agriculture, Asbestos Waste Removal, Bulk Packaging, Household Waste Removal, Human Safety, Gardens, Green Houses, Shelter, Grain, Pulses, Animal Food, Seeds, Fertilizers, Chemicals, and Food Products etc.

The Company has been operating as DCA cum CS of ONGC Petro additions Limited (OPaL). During this year this business not only delivered a steady performance but also continued to add value to the Company, in terms of profitability. This segment helps the Company as a source of Raw Material and helps to increase its presence in the national market. Further it also helps the Company to decide its raw material procurement policy and reduction of cost.

(d) Strength, Weakness, Opportunities and Threats

The Company has wide range of products in its basket which caters to the customers across the globe. The product portfolio comprises of about 15 different products like FIBC, HDPE/PP Tarpaulin, HDPE/PP Woven Sacks/Bags, BOPP Bags, HDPE/PP Fabric, Ground Covers, Pond Liners, Mulch Films, Laminates, Vermi Beds and Flexible Pipes. Product diversification helps in catering to different markets as per their demands. Your Company is having BIS Certification for separate clean room facilities and the Company's fully integrated food grade manufacturing facility for FIBC is one of the best in India. The Company supplies to various industries like agriculture, construction, food, bulk packaging, chemical, cement and food grade bags. The strong Industry relation is a core strength of the Company. The Company focuses on quality and customer satisfaction to maintain long term relationship and to procure repeat orders. There is increased competition due to industry wise capacity addition. We have also initiated the expansion of the existing manufacturing facilities with the capacity addition of 3540 MT by setting up of manufacturing facilities by installation of Multifilament plant, Lamination plant, Twisting Machine, Automatic Bag cutting Machine for manufacturing of Small Bags, Tarpaulin, FIBC Bags, Multifilament Thread. The proposed capacity is expected to be operational during the month of September, 2020. The company's total capacity will be 20540 MTPA and your company has adequate production capacity to meet the increased demand of the Customers.

Volatility of Oil and currency are some major threats. Being a labour oriented industry with high requirement of skilled labour, shortage of labour is a major risk associated with the sector, however the Company has put in place adequate system to monitor labour requirement and have already implemented skilled development training program. Competition from new players within and outside the country is also posing the threat for the company and with the experience of more than 3 decades in this industry and strong customer relationship your company is able to meet this threat.

(e) Segment-wise or product-wise performance

The Company operates in following segments i.e.

- Manufacture and sale of FIBC, HDPE/PP Tarpaulin, HDPE/PP Woven Sacks/Bags, BOPP Bags, HDPE/PP Fabric, Ground Covers, Pond Liners, Mulch Films, Laminates, Vermi Beds and Flexible Pipes
- Trading of Granules

In addition to that the Company is also having solar plant, power generated from solar power plant is captively consumed. The solar power generation segment is integral part of manufacturing segment.

(f) Future Outlook

Driven by lightweight, customized product features, user-friendly, sustainability advantages and enhanced packaging options the product base of the Company has the potential to maintain positive growth through demand emanating from international as well as domestic industries. In the domestic market, the industry is also envisaged to receive a boost from agriculture, mineral, petrochemical industries and various industrial markets who are opting for FIBC as packaging option. Internationally, the FIBC industry is estimated to demonstrate firm growth driven by demand from new markets like Latin & Central America, Eastern Europe & some parts of Africa. Also, acceptability and increase in usage by the pharmaceutical and food industry across the globe will have positive impact.

(g) Risk and concerns, internal control systems and their adequacy

The Company is engaged in the business of manufacturing and export of containers and packaging materials, which is associated with normal business risk as well as the imbalance of demand-supply of products in the domestic as well as international market. We are subject to foreign currency exchange rate fluctuations which could have a material impact on our results of operations and financial conditions. The Company has a well-defined Policy for Risk Mitigation on foreign exchange by adopting hedging strategies. Global as well as Indian economic and political factors that are beyond our control, influence forecasts and may directly

affect our business operations.

The Company has a Risk Management Policy and adequate Internal Control System in place. The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management; in order to guide decisions on risk related issues. Internal Control System is commensurate with the size, scale and complexity of its operations. The Company continuously reviews its various types of regulatory, financial, operational, environmental and other business risks. There are adequate systems to ensure compliance of all various statutory and regulatory requirements and review the same from time to time and to take appropriate actions from time to time.

(h) Discussion on financial performance with respect to operational performance.

The Board's Report has specifically dealt with the subject under the headings 'Summarized Profit & loss Account and State of Company's Affairs & Review of operations'

(i) Material developments in Human Resources / Industrial Relations front, including number of people employed.

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. Many initiatives were taken to support business through organizational efficiency, process change support and various employee engagement programs which has helped the organization to achieve higher productivity level. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

As on March 31, 2020 we have 2335 employees on payroll. Company is committed to provide necessary training /conducts development programmes to imbibe necessary skills required within the employees. The management of the Company enjoys cordial relations with its employees at all levels.

j). Details of Significant Changes in Key Financial Ratios

Key Ratio	2019-20	2018-19	Variation in %	Comments for Variation in ratio above 25%
Debtors Turnover Ratio	7.02 : 1	7.02 : 1	NIL	NA
Inventory Turnover Ratio	4.56 : 1	6.19 : 1	26.33	<p>The Company has adopted the Indian Accounting Standard Rules, 2015 (Ind AS) as its accounting framework from financial year 2019-20. The rules requires the Company to restate and present financial statements of preceding year too in Indian Accounting Standards.</p> <p>The revenue has been recognised as per the principles of Ind AS which provides the basis of recognition to be 'satisfaction of performance obligations'. This principle causes postponement of revenue recognition until performance obligations are satisfied. Therefore transactions which qualified as revenue in erstwhile GAAP could not be recognised as revenue in reporting period of FY 2019-20. Consequently, it resulted in increase in inventory of those items.</p> <p>However, while restating financials of FY 2018-19 the Company was exempted from postponement of revenue recognition. It is because the company has availed the exemption under Para D35 of IndAS 101 i.e., not to</p>

				restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. This resulted in revenue recognition in FY 18-19 without postponing it until satisfaction of performance obligations. Consequently, the inventory remained at reduced figure.
Interest Coverage Ratio	4.37 : 1	3.69 : 1	26.56	The coverage ratio increased due to increase in earnings. Total interest also reduced due to reduction of rate of interest by bank and availment of FCTL by company.
Current Ratio	1.58 : 1	1.35 : 1	17.04	NA
Debt Equity Ratio	0.75 : 1	0.92 : 1	18.48	NA
Operating Profit Margin (%)	9.81%	9.96%	1.51%	NA
Net Profit Margin (%)	5.98%	5.45%	9.52%	NA
Return on net worth (Any Change)	16.58%	19.26%	13.91%	The return of net worth is declined due to low profitability in proportion to net worth of the Company

(k). Compliance with Indian Accounting Standards

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards as notified. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(l) Cautionary Statement

Statements in this report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in this statement because of many factors like economic condition, availability of labour, price conditions, domestic and international market, changes in Government policies, tax regime, etc. The Company assumes no responsibility to publicly amend, modify or revise any statement on basis of any development, information and event.

For and on behalf of the Board

Place: Indore

Date: 02nd September, 2020

Anil Choudhary
Chairman & Managing Director
DIN: 00017913

CORPORATE GOVERNANCE REPORT

(Forming Part of the 36th Board's Report, for the year ended 31st March, 2020)

Corporate governance is about commitment towards maximizing stakeholder value on a sustainable basis. Good corporate governance is a key driver of sustainable corporate growth and creating long-term value for stakeholders. Ethical business conduct, integrity and commitment to values, emphasis on transparency and accountability which enhance and retain stakeholders' trust are the hallmark of good corporate governance. The Companies Act, 2013 aims to bring governance standards at par with those in developed nations through several key provisions such as composition and functions of Board of directors, Code of Conduct for independent directors, performance evaluation of directors, class action suits, auditor rotation and independence, and so on. The Companies Act emphasizes self-regulation, greater disclosure and strict measures for investor protection. Your company is committed to adopt the best practices in corporate governance and disclosure. It is our constant endeavor to adhere to the highest standard of integrity and to safeguard the interest of all our stakeholders.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Commercial Syn Bags Limited ("The Company/Comsyn") governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behaviour and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons and the Charter-Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

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 Packaging industry while upholding the core values of Quality, Trust, Leadership and Excellence.

BOARD OF DIRECTORS

Composition:

The Board of directors of the Company has an optimum combination of Executive and Non-Executive directors with One-woman director and fifty percent of the Board of directors comprising of Non-Executive Directors. During the year under review the Board comprised of 6 (six) Directors of whom 3 (three) are Executive Directors out of which 1 (One) being Women Director and 3 (three) are Non-executive/ Independent Directors.

Composition of Board of directors is in conformity with the provisions of Companies Act, 2013 and regulation 17 of SEBI (LODR) Regulation, 2015 as amended from time to time.

Directors' Profile:

The Board of directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The brief profile of the Company's Board of Directors is as under:

Name of Directors	Shri Anil Choudhary	Smt. Ranjana Choudhary	Shri Virendra Singh Pamecha	Shri Hitesh Mehta	Shri Milind Mahajan	Shri Chintan Pushpraj Singhvi
Date of Birth	03-12-1958	04-05-1981	01-07-1969	09-09-1950	12-10-1966	10-01-1980
Date of Appointment in the current term	20-02-2016	01-06-2017	26-03-2016	20-06-2020	10-05-2017	30-11-2015
Expertise / Experience in specific functional areas	More than three decades in Plastic Packaging Industry	More than 8 years of experience in the field, of administration, management and plastic packaging industry	About 29 years of experience	46 years of experience in Administration and Finance areas	Vast experience in the field of business management, e-governance and IT-enabled service	Having vast experience in polymer business
Qualification	B.Sc,M.A.Diploma in Marketing Management	B.Com, Masters in Computer Management	Bachelor in Commerce	Bachelor in Commerce	B.E. Electronics, MBA	MBA in International Business.
No. & % of Equity Shares held	4,49,200 3.80%	2,21,600 1.88%	-	-	-	-
List of outside Company's directorship held	1. Indian Plast Pack Forum 2. ABA Realbuild Pvt. Ltd.	Mohra Infratech Pvt.Ltd	NIL	1. J.M. Chemicals Pvt. Ltd. 2. Kavita Realities Pvt. Ltd. 3. Vivan Real Estate Pvt. Ltd. 4. Felix Properties Pvt. Ltd. 5. Rajgarh Estates Pvt. Ltd. 6. Indian Plast Pack Forum 7. Aero Entertainment Pvt. Ltd.	1. Midwest Autosales Pvt. Ltd. 2. Mirash Infotech Pvt. Ltd. 3. The Madhya Pradesh Flying Club Ltd. 4. Aero Club of India 5. Waman Motors Pvt. Ltd.	NIL
Chairman / Member of the Committees of the Board of Directors of the Company	1. CSR Committee- Chairman 2. Stakeholder Relationship Committee- Member	CSR Committee-- Member	Audit Committee- Member	Chairman of the following Committee: 1. Audit Committee; 2. Nomination and Remuneration Committee; 3. Corporate Compliance Committee. 4. Independent Director's Committee Member of the following Committee: - Stakeholder Relationship Committee; - CSR Committee.	1. Stakeholder Relationship Committee- Chairman 2. Nomination & Remuneration Committee- Member 3. Audit Committee- Member 4. Independent Director's Committee- Member	1. Nomination & Remuneration Committee- Member 2. Independent Director's Committee- Member
Chairman / Member of the Committees of the Board, of other Listed Companies in which he is director	NA	N.A.	NA	NA	NA	N.A.

along with the name						
Directors Inter se relations	Shri Anil Choudhary is Brother in Law of Smt. Ranjana Choudhary	Smt. Ranjana Choudhary is Sister in Law of Shri Anil Choudhary	NA	NA	NA	N.A.

- A. During the financial year 2019-20; the Board of Directors met 5 (Five) times on, 20thMay, 2019; 22ndAugust, 2019; 13th September, 2019; 13th November,2019 and 1st February, 2020. The time gap between any two meetings did not exceed 120 (One Hundred Twenty) days.
- B. The composition of the Board of Directors and their attendance at the meeting during the year were as follows:

Name of Director	Category	Designation	No. of Board meeting held during the financial year	No. of Board meeting held attended during the financial year	Whether attended last AGM held on Sept. 18 th , 2019
Shri Anil Choudhary	Promoter & Executive Chairman	Chairman & MD	5	5	Yes
Smt.. Ranjana Choudhary	Executive Director	WTD	5	5	Yes
Shri Virendra Singh Pamecha	Executive Director	WTD	5	5	Yes
Shri Hitesh Mehta	Independent/ Non-executive Director	Director	5	4	Yes
Shri Milind Mahajan	Independent/ Non-executive Director	Director	5	5	No
Shri Chintan Pushpraj Singhvi	Independent/ Non-executive Director	Director	5	2	Yes

The Statutory Auditors, Internal Auditors, CEO and CFO are the permanent invitee in the Board Meeting. Further that CS. Anamika Gupta, the Company Secretary and Compliance office functioned as the Secretary for all the Board Meetings during the year under review.

C. 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:

- Knowledge on Company's businesses, policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- Financial and Management skills,
- Technical / Professional skills and specialized knowledge in relation to Company's business.

Matrix Setting out Skills / Expertise / Competencies:

Skills / Expertise / Competencies	Shri Anil Choudhary, CMD	Smt. Ranjana Choudhary, WTD	Shri Virendra Singh Pamecha, WTD	Shri Hitesh Mehta, Independent Director	Shri Milind Mahajan, Independent Director	Shri Chintan Pushpraj Singhvi, Independent Director
Knowledge on Company's businesses	Yes	Yes	Yes	Yes	Yes	Yes
Business Culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	Yes	Yes	Yes	Yes	Yes	Yes
Behavioural skills	Yes	Yes	No	Yes	No	No
Business Strategy	Yes	No	No	No	Yes	No
Sales & Marketing	Yes	No	Yes	Yes	Yes	No
Corporate Governance	Yes	Yes	Yes	Yes	Yes	No
Forex Management	Yes	No	No	No	No	No
Administration, Decision Making	Yes	Yes	Yes	Yes	Yes	Yes
Financial and Management skills	Yes	No	No	Yes	No	Yes
Technical / Professional skills	Yes	No	Yes	Yes	Yes	No

D. Independent Directors' Meeting:

During the year a separate meeting of the Independent Directors was held on 13th November, 2019 inter-alia to review the performance of Non-Independent Directors and the Board as whole. All the Independent Directors were present at the meeting.

E. Familiarization programmes for the Independent Directors: Already discussed in the Board Report.
F. Confirmation with respect to Independent Director's:

Your Board of Directors is of the opinion that the Independent Directors fulfil the conditions specified in these the SEBI (LODR) Regulations, 2015 and are independent of the management. Further, all the Independent Directors have furnished their declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

G. Resignation tendered by the Independent Director:

None of the Independent Director of the company has resigned from the Board during the year 2019-20.

H. Outstanding GDRs/ADRs/Warrants or any convertible instruments, etc.

As on date, the Company has not issued these securities, convertible in the equity shares.

I. Foreign exchange risk and hedging activities

The Company has foreign exchange exposures; however, hedging/forwarding contract is done wherever it was required.

COMMITTEES OF THE BOARD
(a) Audit Committee:

The Committee presently comprises members as stated below. The Committee met five (5) times during the financial year **2019-20 on 20th May, 2019, 22nd August, 2019, 13th September, 2019, 13th November 2019 and 1st February, 2020**. Details of meetings attended by the members are as follows:

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Hitesh Mehta	Independent Director	Chairman	5 of 5
Shri Milind Mahajan	Independent Director	Member	5 of 5
Shri Anil Choudhary*	Chairman & Managing Director	Member	4 of 5
Shri Virendra Singh Pamecha*	Whole Time Director	Member	4 of 5

* Shri Virendra Singh Pamecha has replaced Shri Anil Choudhary w.e.f. 22nd August 2019.

The Chief Financial Officer, CEO and COO, Internal Auditor and the representatives of Statutory Auditors are permanent invitees. The Company Secretary is also functioning as the secretary to the Committee.

The constitution of the Audit Committee meets with the requirement of section 177 of the Companies Act, 2013 and Listing Regulations.

The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. 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 Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, periodic financial statements before submission to the board for approval;
6. Reviewing with the management the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc) the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of the public or right issue, and making appropriate recommendation to the board to take up steps in this matter;
7. Review and monitor 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 Intercorporate Loans and Investments;
10. Valuation of undertaking 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 payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/or advances and investments.

Review of information by Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Reg. 32(1) of the SEBI (LODR) Regulations, 2015.
 - b. Annual statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32(7).
7. The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
8. Utilization of loan and advances, if any.

The Audit Committee reviewed the reports of the internal auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues affecting the Company and held discussions with the internal and statutory auditors and the Company Management during the year.

The Chairman of the Audit Committee was present at the 35th Annual General Meeting of the Company held on September 18th, 2019.

(b) Nomination and Remuneration Committee:

Composition, Meetings and Attendance:

The Committee comprises of the Members as stated below. The Committee during the year ended March 31, 2020 had 1 (One) meeting on 22nd August, 2019. The attendance of the members was as under.

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Hitesh Mehta	Independent Director	Chairman	1 of 1
Shri Milind Mahajan	Independent Director	Member	1 of 1
Shri Chintan PushprajSinghvi	Independent Director	Member	0 of 1

The Company Secretary is also functioning as the secretary to the Committee. The constitution of the Committee meets with the requirement of section 178 of the Companies Act, 2013 and Listing Regulations.

Terms of Reference of Nomination, Remuneration and Compensation Committee (NRC):

The NRC is duly constituted in accordance with the provisions of SEBI (LODR) Regulation, 2015 read with section 178 and other applicable provisions of Companies Act, 2013 and the NRC is empowered to do the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to appointment and remuneration for Directors, KMPs and other senior employees;
2. To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of directors and the Committees thereof;
3. To devise policy on Board Diversity;
4. To identify persons, qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and where necessary, their removal;
5. To formulate policy ensuring the following:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully,
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - c. Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 - d. Recommendation to the board, all remuneration, in whatever form, payable to senior management.
6. To design Company's policy on specific remuneration packages for Executive/ WTD and KMPs including pension rights and any other compensation payment;
7. To determine, peruse and finalize terms and conditions including remuneration payable to Executive/ WTD and KMPs from time to time;
8. To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/WTD, Senior Management Personnel and KMPs;
9. Any other matter as may be assigned by the Board of directors.

Remuneration Policy:

The Policy for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) is uploaded on Company's website. (Link:- <http://www.comsyn.com>).

The Chairman of the Nomination and Remuneration Committee was present at the 35th Annual General Meeting of the Company held on September 18th, 2019.

(c) Stakeholders' Relationship Committee:

Composition, Meetings and Attendance, if any:

The Committee comprises of the Members as stated below. The Committee during the year ended March 31, 2020 had no meeting as no complaints was received from shareholders during the period under reporting, therefore company was not required to hold Stakeholders' Relationship Committee meeting.

Name of the Director	Category	Designation
Shri Milind Mahajan	Chairman	Chairman
Shri Hitesh Mehta	Independent Director	Member
Shri Anil Choudhary	Managing Director	Member

The Company Secretary is also functioning as the secretary to the Committee. The constitution of the Audit Committee meets with the requirement of section 178 of the Companies Act, 2013 and Listing Regulations.

The terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

1. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

(d) Corporate Social Responsibility (CSR) Committee:

CSR Committee was constituted pursuant to section 135 of the Companies Act, 2013. The Composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The CSR Committee met 2 (two) times on 20th May, 2019 and 1st February, 2020 during the year ended March 31, 2020:

Name of the Director	Category	Designation	Numbers of meeting attended
Shri Anil Choudhary	Chairman & Managing Director	Chairman	2 of 2
Smt. Ranjana Choudhary	Whole Time Director	Member	2 of 2
Shri Hitesh Mehta	Independent Director	Member	2 of 2

The Company Secretary is also functioning as the secretary to the Committee. The constitution of the CSR Committee meets with the requirement of section 135 of the Companies Act, 2013.

The terms of reference of the Corporate Social Responsibility Committee broadly include the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the review thereof at periodical intervals;
2. To recommend the amount of expenditure to be incurred on the activities referred above;
3. To monitor the expenditure incurred on the specified activities; and
4. To monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.

(e) Other Committee:

i. Corporate Compliance Committee:

During the period under reporting 4(Four) meetings of the Corporate Compliance Committee were held on **20th May, 2019, 22nd August, 2019, 13th November, 2019 and 1st February, 2020** which were attended by all the members.

Name of the Director	Category	Numbers of meeting attended
Shri Hitesh Mehta (Chairman)	Independent Director	4 of 4
Shri Anil Choudhary (Member)	Chairman & Managing Director	4 of 4
Shri Abhishek Jain (Member)	Chief Financial Officer	4 of 4

The terms of reference of the Corporate Compliance Committee broadly include the following:

1. Oversight responsibility for matters of compliance, including the Company's overall compliance programs, policies and procedures; significant legal or regulatory compliance exposure.

2. Oversee the Company's compliance efforts with respect to relevant Company policies, the Company's Code of Business Conduct, and relevant laws and regulations.
3. Monitor the Company's efforts to implement compliance programs, policies and procedures that respond to the various compliance and regulatory risks facing the Company and support lawful and ethical business conduct by the Company's employees.
4. Monitor the Company's efforts to fulfill legal obligations arising from settlement agreements and other similar documents or orders, and shall review, at its discretion.
5. At its discretion, oversee the investigation of, and may also request the investigation of, any significant instances of non-compliance with laws or the Company's compliance programs, policies or procedures, or potential compliance violations that are reported to the Committee; provided, however, that any such matters related to financial non-compliance or potential financial compliance violations shall be directed to the Audit Committee for investigation.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

TERMS OF APPOINTMENT & REMUNERATION - CEO & MD

Particulars	Shri Anil Choudhary, Chairman & Managing Director	Smt.& Ranjana Choudhary Whole Time Director	Shri Virendra Singh Pamecha Whole Time Director
Period of Appointment	20.02.2016 to 19.02.2021	01.06.2017 to 30.05.2022	26.03.2016 to 25.03.2021
Salary Grade	UptoRs. 7,00,000/- per month	Upto Rs. Rs. 3,00,000/- per month	UptoRs. 1,75,000 per month
Category: A (Allowances)	NIL	NIL	NIL
Category: B (Perquisites)	Contribution to PF, Gratuity, Earned Privilege Leave, Commission, Mediclaim and accidental insurance, Leave Travel Concession	Contribution to PF, Gratuity, Leave Encashment as per Rules	Contribution to PF, Gratuity, Earned Privilege Leave as per Rules
Category: C	Car, Telephone, Internet & Cell	Car, Telephone, Internet & Cell	Car, Telephone, Internet & Cell
Minimum Remuneration	As per provisions of Companies Act, 2013 read with Schedule V of the Act	As per provisions of Companies Act, 2013 read with Schedule V of the Act	As per provisions of Companies Act, 2013 read with Schedule V of the Act
Notice Period and fees	2 months from either side	2 months from either side.	2 months from either side

Details of remuneration paid to the Directors are given in Form MGT-9 hosted at the web site of the Company.

GENERAL BODY MEETINGS:

A. Annual General Meetings:

Date of AGM	Venue	Time	No. of resolutions passed other than ordinary Businesses	No. of resolutions passed by Postal Ballot
22/09/2017	Hotel Best Western Plus O2, situated at 31/1, Main Road, South Tukoganj, Indore (M.P.)-452001	11:30 AM	Four	Nil
07/09/2018	Hotel Shreemaya Residency, A.B. Road, Near Press Complex, Indore (M.P.) 452 008	12:15 P.M	One	Nil
18/09/2019	As above	12:15 P.M.	Five	Nil

B. Extraordinary General Meeting (EGM):

No Extraordinary General Meeting held during the year 2019-20.

C. POSTAL BALLOT : No Resolution passed by postal ballot during period under the year 2019-20.**DISCLOSURES:**

- (a) Subsidiary Companies
- (b) Related Party Transactions Policy web link <http://comsyn.com/wp-content/uploads/2018/08/Revised-RPT-Policy.pdf>
- (c) Vigil Mechanism/Whistle Blower Policy
- (d) Prevention of Insider Trading
- (e) Code of Conduct
- (f) Credit Rating

All the above disclosures are already discussed in Board Report. Hence, not repeated over here.

D. Providing voting by Electronic Means.

Your Company is providing E-voting facility under Regulation 44 of SEBI (LODR) Regulation, 2015 and Companies Act, 2013. The details regarding e-voting facility is being given with the notice of the Meeting.

E. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI)

F. Compliance with Indian Accounting Standards

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards as notified. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

G. Proceeds from public issues, rights issue, preferential issues, etc.

The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.

H. Disclosures with respect to demat suspense account/ Unclaimed Suspense Account:

There is no equity shares lying in the demat suspense account/ Unclaimed Suspense Account.

I. Confirmation that in the opinion of the Board, the Independent Director fulfills the condition specified in this regulation and are independent of the Management:

All Independent Directors has given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the Management do hereby confirm their independency.

J. Detailed Reason for resignation of Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reasons, other than those provided:

There is no resignation of any independent Director during the Financial Year.

K. Secretarial Compliance Report:

In compliance with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, company has filed Annual Secretarial Compliance Report for the year ended 31st March, 2020 in terms of Regulation 15(2) of SEBI (LODR) Regulation, 2015.

L. Certificate from Practicing Company Secretary:

Certificate as required under Part C of Schedule V of the SEBI (LODR) Regulation, 2015, received from CS Ishan Jain (FRN NO. I2014MP1139600 FCS 9978 CP No. 13032) proprietor of M/s. Ishan Jain & Co., Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The said

certificate is annexed and forms part of the Annual Report.

M. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act, 2013:

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2019-20 are as under:

- | | | | |
|----|--|---|-----|
| a. | Number of complaints filed during the financial year | : | NIL |
| b. | Number of complaints disposed of during the financial year | : | NIL |
| c. | Number of complaints pending as on end of the financial year | : | NIL |

MEANS OF COMMUNICATION:

The company regularly intimates its quarterly/half-yearly un-audited as well as annual audited financial results to the Stock Exchange immediately after these are taken on record/approved by the Board. These financial results are published in the Free Press Journal (English) and in Choutha Sansar (Hindi), the vernacular newspaper. The results of the company are also available on the website of the company, at www.comsyn.com.

MD/CFO CERTIFICATION:

The MD and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of SEBI (LODR) Regulation, 2015. The said certificate is annexed and forms part of the Annual Report.

COMPLIANCE UNDER NON-MANDATORY/DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS REQUIREMENTS OF LISTING REGULATIONS:

The Company complied with all mandatory requirements and has also adopted non-mandatory requirement as per details given below:

A. The Board:

The Company does not have Non-Executive Chairman.

B. Shareholder's Rights:

The half yearly results are displayed on the website of the Company and are sent to the Stock Exchanges where the shares of the Company are listed. The half-yearly results are not separately circulated to the shareholders.

C. Audit Qualification:

The auditors have not qualified the financial statement of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements. However, the observations raised by the Secretarial Auditors were commented by the management in the Board report and are not in severe nature.

D. Reporting of Internal Auditor:

The Internal Auditors of the Company report to the Audit Committee.

GENERAL SHAREHOLDER INFORMATION:

Date, Time and Venue of Annual General Meeting	On 29th September, 2020 2:00 P.M. through Video Conferencing/VC or other audio visual mode for which purposes the registered office of the company at Commercial House, 3-4 Jaora Compound M.Y.H. Road, 452001 (M.P.) shall be deemed as the venue for the meeting
E-voting period	From Saturday 26.09.2020 on 9:00 A.M. [IST] To Monday 28.09.2020 on 5:00 P.M. [IST]
Financial Calendar Results	
for the quarter ending 30th June, 2020	On 28th August, 2020 (extended by SEBI due to Covid-19)
for the quarter ending 30th September, 2020	On or Before 14th November, 2020
for the quarter ending 31st December, 2020	On or Before 14th February, 2021
for the quarter ending 31st March, 2021	On or Before 30th May, 2021

Board Meeting for consideration of Annual Accounts for the financial year 2019-20	29th June, 2020 (the same has been extended by SEBI upto 30th July, 2020 due to Covid-19)
Book Closure	22th September, 2020 to 29th September, 2020 (both days inclusive)
Cutoff date for E-voting	22nd September, 2020
Posting/ mailing of Annual Report	On or Before 7th Sept., 2020
Last date for receipt of Proxy	Not Applicable (AGM will be held through “VC and OAVM”)
Dividend	Within 30 days from the date of declaration
Listing on Stock Exchange	The equity shares of the company are listed at BSE Ltd., Having its office at Phiroze Jeejeebhoy Towers, Dalal Street Mumbai-400001 and the listing fees has been paid for 2020-2021
Registered Office	“Commercial House”, 3-4 Jaora Compound M.Y.H. Road, 452001 (Address for Correspondence)
Compliance Officer and Company Secretary	CS Sandeep Patel
Registrars and Share Transfer Agents	Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 (M.H.)Tel: +91-22-6263 8200Fax: +91-22-6263 8299 Email: investor@bigshareonline.com Website: www.bigshareonline.com
Scrutinizer for E-voting	CS Ishan Jain, Practicing Company Secretary
Scrip Code	539986
ISIN NO	INE073V01015
The financial year covered by this Annual Report	April 1, 2019 to March 31, 2020
Share Transfer System	Due to amendment in SEBI (LODR) Regulation, 2015 from 1st April, 2019 no physical transfer of shares allowed.
Commodity price risk or foreign exchange risk and hedging activity	The export transactions are covered by the Forward cover as per policy of the company to minimize the exchange fluctuation risk
Plant Location	Unit I: Plot No. S-4/1, S-4/2, S-4/3, S-4/3A Sector 1, Pithampur (M.P.) Unit II: Plot No. S-2/1, S-3/1, S-3/2, Sector-1, Pithampur (M.P.) Unit III: Plot No. 309, Sector-1, Pithampur (M.P.) Unit SEZ: Indore Special Economic Zone Plot No.15-18, Phase-1, Sector-III, Pithampur (M.P.) SOLAR POWER DIVISION: PH No. 36, Village Galihara, Tehsil Sitamau. District Mandsaur (M.P.) TRADING DIVISION WAREHOUSE: 61/2, Sector F, Sanwer Road, Indore-452015 (M.P.)

MARKET INFORMATION:

Stock Market Price Data:

Monthly high/low during the year 2019-20 at BSE Platform Mumbai:

Month	High	Low	Total No. of shares
April-2019	43.00	39.05	75,000
May-2019	67.05	41.50	1,99,974
June-2019	60.00	44.00	53,920
July-2019	59.90	39.20	33,055
August-2019	60.00	39.10	39,710
September-2019	57.75	41.10	2,04,057
October-2019	51.95	38.70	1,05,549
November-2019	57.70	45.05	94,596
December-2019	50.95	42.55	2,72,342
January-2020	52.00	42.00	37,860
February-2020	57.85	39.70	1,26,561
March-2020	58.50	36.40	1,77,741

*(Source website of BSE Limited)

Distribution of Shareholding as on March, 31, 2020:

Share Holding of Nominal Value (Slab)	Share Holders Number	% of Share Holders	Share Amount In RS.	% to Total
1-5000	284	49.05	290970	0.25
5001-10000	34	5.87	288110	0.24
10001-20000	21	3.63	355650	0.30
20001-30000	70	12.09	2069050	1.75
30001-40000	10	1.73	354270	0.30
40001-50000	8	1.38	367390	0.31
50001-100000	73	12.61	4717060	3.99
100001-above	79	13.64	109731500	92.86
Total	579	100.00	11,81,74,000	100.00

Dematerialization of Shares as at 31/03/2020:

Category	No. of Shares	%
Total number of dematerialized shares with NSDL	1,03,48,884	87.57
Total number of dematerialized shares with CDSL	14,68,516	12.43
Total number of Physical shares	-	-
TOTAL	1,18,17,400	100.00

Shareholding Pattern as at 31/03/2020:

Category of Shareholder	No. of Shares held	%
Promoters	68,23,432	57.74
Mutual Funds/UTI	0	0
Financial Institutions/Banks	0	0
Insurance Companies	0	0
Foreign Institutional Investors	0	0
Directors & Relatives	0	0
Individuals	41,80,627	35.38
Non- Resident Indians & OCB	48,176	0.41
Others	7,65,165	6.47
TOTAL	1,18,17,400	100.00

REDRESSAL OF INVESTOR GRIEVANCES THROUGH SEBI SCORES MECHANISM:

SEBI has issued various circular for Listed entities to Register itself on SCORES. It is a web based centralized grievance redress system of SEBI. SCORES enable investors to lodge and follow up their complaints and track the status of redressal of such complaints online from the SCORES website.

Your Company is also registered on SCORES and promptly redressing investor grievances. The same is maintaining by our Registrar and Share Transfer Agent M/s Big share Services Pvt. Ltd.

UNCLAIMED DIVIDEND AND SHARES LIABLE TO TRANSFER TO IEPF AUTHORITY

There are no unclaimed and unpaid dividend in the company and the company is not required to transfer any of its unpaid/unclaimed dividend and their respective shares to IEPF Account.

RECONCILIATION OF SHARE CAPITAL AUDIT:

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital.

For and on behalf of the Board

Place : Indore

Date : 2nd September, 2020

Anil Choudhary
Chairman & Managing Director
DIN : 00017913

**DECLARATION BY THE MANAGING DIRECTOR
under SEBI (LODR) Regulation, 2015 Regarding Compliance with Code of Conduct**

In accordance with Schedule V, Para D of the SEBI (LODR) Regulation, 2015 as amended from time to time, I the Managing Director of the Company hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2020.

For and on behalf of the Board

Place : Indore

Date : 2nd September, 2020

Anil Choudhary
Chairman & Managing Director
DIN : 00017913

COMPLIANCE CERTIFICATE

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

To,
The Board of Directors
Commercial Syn Bags Limited

- A. We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2019-20 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we 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.
- D. We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the Financial Year 2019-20
 2. significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and
 3. Instances of significant fraud of which they 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.

For, Commercial Syn Bags Limited

Anil Choudhary
Chairman & Managing Director
DIN: 00017913
Place: Indore
Date: 29th June, 2020

For, Commercial Syn Bags Limited

Abhishek Jain
Chief Financial Officer

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,

Commercial Syn Bags Limited

1. This certificate is issued in accordance with the terms of our engagement.
2. We, Avinash Agrawal & Co., Chartered Accountants, the Statutory Auditors of Commercial Syn Bags Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (LODR) Regulations, 2015 (the Listing Regulations).

Management’s Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor’s Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2020.
9. 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, AVINASH AGRAWAL & CO.
CHARTERED ACCOUNTANTS
ICAI Reg. No.: 022666C

AVINASH AGRAWAL
PROPRIETOR
M.NO. 410875

UDIN : 20410875AAAABB7307

Place : Indore

Dated : 01st September 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Commercial Syn Bags Limited,
Commercial House,
3-4, Jaora Compound, M.Y. H. Road,
Indore (M.P.) 452001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Commercial Syn Bags Limited, having CIN L25202MP1984PLC002669 and having registered office at Commercial House, 3-4, Jaora Compound, M.Y. H. Road, Indore (M.P.) 452001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers.

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Shri Anil Choudhary*	00017913	10/12/1984
2	Smt Ranjana Choudhary	03349699	05/06/2011
3	Shri Virendra Singh Pamecha	07456367	26/03/2016
4	Shri Hitesh Mehta	00427646	20/06/2015
5	Shri Milind Mahajan	00155762	10/05/2017
6	Shri Chintan Pushpraj Singhvi	07334755	30/11/2015

**Date of appointment in the MCA Record is reflecting 20.02.2008.*

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, ISHAN JAIN & CO.,
COMPANY SECRETARIES
FRN : I2014MP1139600**

UDIN: F009978B000612668

Place : Indore

Date: 25/08/2020

**CS ISHAN JAIN
PROPRIETOR**

FCS: 9978

C.P. 13032

COMMERCIAL SYN BAGS LIMITED

CIN- L25202MP1984PLC002669

Regd. Office: Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore (M.P.)-452001

Contact No.: 0731-4279525, Email ID: investors@comsyn.com, Website :www.comsyn.com

NOTICE TO THE MEMBERS OF THE COMPANY

In terms of the Articles 164A as amended by the approval of the Members of the Company by way of Postal Ballot Process including Remote-E-voting and the result of the same were declared by the Chairman on 1st Nov., 2018.

The Clause 164A of the Articles of Association provides that;

“164A. Notwithstanding anything contained in these Articles of Association of the Company, but subject to the provisions of the Act and all other applicable Rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf as amended from time to time by the Board:

- (a) Shareholder's can waive/forgo their right to receive the dividend (either final and/or interim) to which he/she is entitled, on some or all the Equity Shares held by him in the Company as on the Record Date/Book Closure Date fixed for determining the names of Members entitled for such dividend. However, the shareholders cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on share(s).*
- (b) The Equity Shareholder(s) who wish to waive/forgo the right to receive the dividend shall inform the Company in the form prescribed by the Board of Directors of the Company.*
- (c) In case of joint holders holding of the Equity Shares of the Company, all the joint holders are required to intimate to the Company in the prescribed form their decision of waiving/forgoing their right to receive the dividend from the Company.*
- (d) The Shareholder, who wishes to waive/forgo the right to receive the dividend for any year shall send his irrevocable instruction waiving/forgoing dividend so as to reach the Company before the Record Date /Book Closure Date fixed for the payment of such dividend. Under no circumstances, any instruction received for waiver/forgoing of the right to receive the dividend for any year after the Record Date /Book Closure Date fixed for the payment of such dividend for that year shall be given effect to.*
- (e) The instruction once given by a Shareholder intimating his waiver/forgoing of the right to receive the dividend for any year for interim, final or both shall be irrevocable and cannot be withdrawn for that particular year for such waived/forgone the right to receive the dividend. But in case, the relevant Shares are sold by the same Shareholder before the Record Date/Book Closure Date fixed for the payment of such dividend, the instruction once exercised by such earlier Shareholder intimating his waiver/forgoing the right to receive dividend will be invalid for the next succeeding Shareholder(s) unless such next succeeding Shareholder(s) intimates separately in the prescribed form, about his waiving/forgoing of the right to receive the dividend for the particular year.*
- (f) The Equity Shareholder who wish to waive/forgo their right to receive the dividend for any year can inform the Company in the prescribed form only after the beginning of the relevant financial year for which the right to receive the dividend is being waived/forgone by him. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Shareholders who have waived/forgone his/their right to receive the dividend (interim or final) by him/ them under this Article.*
- (g) The instruction by a Shareholder to the Company for waiving/ forgoing the right to receive dividend for any year is purely voluntary on the part of the Shareholder. There is a no interference with a Shareholder's Right to receive the dividend, if he does not wish to waive/forgo his right to receive the dividend. No action is required on the part of Shareholder who wishes to receive dividends as usual. Such Shareholder will automatically receive dividend as and when declared.*

- (h) *The decision of the Board of Directors of the Company or such person(s) as may be authorised by Board of Directors of the Company shall be final and binding on the concerned Shareholders on issues arising out of the interpretation and/or implementation of these Rules.*”

Thus, the Members of the Company can waive/forgo, if he/they so desire(s), his/their right to receive the dividend (interim or final) for any financial year effective from the dividend recommended by the Board of Directors of the Company for the financial year 2019-20 on a year to year basis, as per the rules framed by the Board of Directors of the Company from time to time for this purpose.

In terms of the notice given to BSE Ltd. on 28th August, 2020 regarding holding of Board Meeting on Wednesday, 02nd September, 2020 at 12:15 P.M. in which the Board of directors may consider and recommend Final Dividend for the year 2019-20 if any.

Therefore, the Shareholder, if so wishes exercise their rights to waive/forgo the rights to receive the Final Dividend for the year 2019-20 needs to fill up the form as annexed with this circular and send it to the Company Secretary of the company by way of email at cs@comsyn.com or investors@comsyn.com or investor@bigshareonline.com or at the Registered Post or by hand.

The form prescribed by the Board of Directors of the Company for waiving/forgoing the right to receive Dividend for any year shall be available for downloading from the Company's website www.comsyn.com.

It may please be noted, that the Company shall pay the aforesaid final dividend if any to all the members who have not exercise their rights of the waiver for receipt of the Final Dividend for the year 2019-20 if any as recommend by the Board and approved by the Members of the Company in 36th Annual General Meeting to be held on Tuesday, the 29th of September, 2020.

Thanking you,

For, COMMERCIAL SYN BAGS LTD.

ANIL CHOUDHARY

Chairman And Managing Director

DIN: 00017913

Date: 02nd September, 2020

Place: Indore

Encl: As above

COMMERCIAL SYN BAGS LIMITED

CIN- L25202MP1984PLC002669

Regd. Office: Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore (M.P.)-452001

Contact No.: 0731-4279525, Email ID: investors@comsyn.com, Website :www.comsyn.com

FORM OF COMMUNICATION FOR WAIVING /FORGOING RIGHT TO RECEIVE THE DIVIDEND FROM THE COMPANY

By Hand/Speed post/email

DPID & Client ID/Folio No. :

From:

.....

(Name and Address of Shareholder(s))

To,

The Board of Directors of,

Commercial Syn Bags Ltd.

Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore (M.P.) 452001

Phone No. 0731-4279525

Sub: Waiver /Forgoing of the Right to receive the Final Dividend on all the Equity Shares held by me/us for the year F.Y. 2019-20 under the above DPID& Client ID /Folio No.

Dear Sir/s,

I/We refer to your Annual General Meeting Notice dated 02nd September, 2020 and the Rules framed and approved by the Board of Directors of the Company under Article 164A of the Articles of Association of the Company for equity shareholders who want to waive/forgo the right to receive the interim or final dividend in respect of financial year 2019-20.

I/We, the undersigned am/are aware and have read and understood the above said Article 164A of the Articles of Association of the Company.

I/We hold the following Equity Shares in Demat Form / Physical Form and hereby waive/forgo irrevocably the right to receive the interim/final dividend as may be declared by the Board of Directors/members of the Company for the F.Y. 2019-20 if any on my Equity Shares of Rs.10/- each held under DPID _____ & Client ID _____ or Folio No. _____

I/We further agree and understand that the waiver/forgoing of the right to receive the above interim/final dividend for the F.Y. 2019-20 cannot be revoked under any circumstances.

Yours faithfully,

Signed and delivered	Full Name(s)	Signature(s)
1st Shareholder		
2nd Shareholder		

In case of joint holders all must sign. In case of a Body Corporate, stamp of the Company should be affixed and necessary Board resolution should be attached.

Place:

Date:

Notes :

- 1) This form to be effective for waiving/forgoing dividend including Final Dividend for the F.Y. 2019-20;
- 2) As per Article 164A of the articles of association of the Company for equity shareholders who want to waive/forgo the right to receive Dividend in respect of financial year 2019-20 or for any year thereafter.
 - (a) Shareholder's can waive/forgo their right to receive the dividend (either final and/or interim) to which he/she is entitled, on some or all the Equity Shares held by him in the Company as on the Record Date/Book Closure Date fixed for determining the names of Members entitled for such dividend. However, the shareholders cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on share(s).
 - (b) The Equity Shareholder(s) who wish to waive/forgo the right to receive the dividend shall inform the Company in the form prescribed by the Board of Directors of the Company.
 - (c) In case of joint holders holding the Equity Shares of the Company, all the joint holders are required to intimate to the Company in the prescribed form their decision of waiving/forgoing their right to receive the dividend from the Company.
 - (d) The Shareholder, who wishes to waive/forgo the right to receive the dividend for any year shall send his irrevocable instruction waiving/forgoing dividend so as to reach the Company before the Record Date /Book Closure Date fixed for the payment of such dividend. Under no circumstances, any instruction received for waiver/forgoing of the right to receive the dividend for any year after the Record Date /Book Closure Date fixed for the payment of such dividend for that year shall be given effect to.
 - (e) The instruction once given by a Shareholder intimating his waiver/forgoing of the right to receive the dividend for any year for interim, final or both shall be irrevocable and cannot be withdrawn for that particular year for such waived/forgone the right to receive the dividend. But in case, the relevant Shares are sold by the same Shareholder before the Record Date/Book Closure Date fixed for the payment of such dividend, the instruction once exercised by such earlier Shareholder intimating his waiver/forgoing the right to receive dividend will be invalid for the next succeeding Shareholder(s) unless such next succeeding Shareholder(s) intimates separately in the prescribed form, about his waiving/forgoing of the right to receive the dividend for the particular year.
 - (f) The Equity Shareholder who wish to waive/forgo their right to receive the dividend for any year can inform the Company in the prescribed form only after the beginning of the relevant financial year for which the right to receive the dividend is being waived/forgone by him. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Shareholders who have waived/forgone his/their right to receive the dividend (interim or final) by him/ them under this Article.
 - (g) The instruction by a Shareholder to the Company for waiving/ forgoing the right to receive dividend for any year is purely voluntary on the part of the Shareholder. There is no interference with a Shareholder's Right to receive the dividend, if he does not wish to waive/forgo his right to receive the dividend. No action is required on the part of Shareholder who wishes to receive dividends as usual. Such Shareholder will automatically receive dividend as and when declared.
 - (h) The decision of the Board of Directors of the Company or such person(s) as may be authorised by Board of Directors of the Company shall be final and binding on the concerned Shareholders on issues arising out of the interpretation and/or implementation of these Rules."

INDEPENDENT AUDITOR'S REPORT

To the Members of Commercial Syn Bags Limited.

OPINION

We have audited the accompanying standalone financial statements of Commercial Syn Bags Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including other Comprehensive Income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone 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 Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its profits and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters are 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.

The key audit matter	How the matter was addressed in our audit
<p>Inventories lying as at year end and its valuation</p> <p>The Company has reported inventory of Rs. 3023.26 Lakh as at year end. It is forming substantial part of current assets of Company</p> <p>We have decided this item as a key audit matter because of –</p> <ol style="list-style-type: none"> 1. The situation arising out of Covid-19 at year end and adoption of IND AS particularly IND AS 115 'Revenue from contracts with customers' during the year would have impacted the inventory levels, 2. Significant inventory level and value, 3. Complexities involved in determining <ol style="list-style-type: none"> i. quantities of inventory at year end at multiple locations, ii. Valuation of inventory because of multiple products and stages of processing. 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ✓ Testing the design, implementation and operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over recording of inventories. ✓ Understanding the Company's process and procedures for physical verification of inventories at year end. ✓ Assessing the methods used to value inventories and ensuring ourselves of the consistency of accounting methods. ✓ Inspecting the reported acquisition cost on a sample basis. ✓ Analyzing of the Company's assessment of net realizable value, as well as reviewing of assumptions and calculations for stock obsolescence. ✓ Assessing of appropriateness of disclosures provided in the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our Auditors' Report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibilities for the Audit of the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has not realistic alternative to do so.

The Board of Directors are responsible for over viewing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 the SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of the users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such control.
- 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 related disclosures in the standalone 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 misstatements 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 qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit, 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 purposed of our audit,
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books,
 - c) The standalone balance sheet, the standalone statement of Profit and Loss (including Other Comprehensive Income), the standalone statement of changes in equity and the standalone statements of Cash Flow dealt with by this report are in agreement with relevant books of account,
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014,
 - e) On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting,
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of

the Act, and

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 30 to the standalone financial statements.)
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There has been no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2020.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.

Place: Indore

Date: 29th June, 2020

UDIN:20410875AAAAAU3573

For Avinash Agrawal & Co.
Chartered Accountants
(FR No. 022666C)

(CA Avinash Agrawal)
(Membership No. 410875)
Proprietor

ANNEXURE –A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

(Reference to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements section of our report to the members of Commercial Syn Bags Limited)

Report on the Internal Financial Controls over financial reporting 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 M/S Commercial Syn Bags Limited (“the Company”) as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing 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, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Indore**Date: 29th June, 2020****UDIN:20410875AAAAAU3573****For Avinash Agrawal & Co.
Chartered Accountants
(FR No. 022666C)****(CA Avinash Agrawal)
(Membership No. 410875)
Proprietor**

ANNEXURE –B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

The Annexure referred to in paragraph 2 under “Report on Other Legal and Regulatory Requirement’s section of our Independent Auditors’ Report to the members of Commercial Syn-Bags Limited on the financial statements for the year ended 31 March 2020, we report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All these fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on our examination of the Conveyance deed/ registered sale deed provided to us. The title deeds of immovable properties are held in the name of the company.
- ii) (a) Physical verification of inventory, at all locations, except in transit (if any) and lying with third parties has been conducted at reasonable intervals by the management. No material discrepancy was noticed during such verifications.
- (iii) (a) According to the information and explanations given to us, the company has not granted any loan, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, sub-clause (a), (b) and (c) of clause (iii) of paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us and on the basis of our checking during the course of audit, the company has not accepted any deposits.
- (vi) The Central Government has specified maintenance of the cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. The Company has made and maintained such records.
- (vii) (a) According to the information and explanation given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, Goods and Service Tax, duty of custom, cess and other material statutory dues applicable to it with the appropriate authorities. There was no such outstanding as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) According to information and explanations given to us, there are no dues of income tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute except demand under M.P. Value Added Tax Act, 2002, Central sales tax act, 1956 and Entry Tax Act, 1976 as follows:

Name of the Statue	Nature of Amount Due	Amount	Amount paid in dispute	Period to which the amount relates	Forum where the dispute is pending
M.P. VAT Act, 2002	Value Added Tax	235220	58850	Financial Year 2016-2017	Deputy Commissioner, Commercial Tax, Indore
M.P. VAT Act, 2002	Value Added Tax	129463	33000	Financial Year 2015-2016	Assistant Commissioner, Commercial Tax, Indore
Central Sales Tax Act, 1956	Central Sales Tax	304635	63327	Financial Year 2016-17	Assistant-Commissioner, Commercial Tax, Indore

Central Sales Tax Act, 1956	Value Added Tax	15280	3850	Financial Year 2016-2017	Deputy Commissioner, Commercial Tax, Indore
Central Sales Tax Act, 1956	Value Added Tax	415922	125880	Financial Year 2015-2016	Assistant-Commissioner, Commercial Tax, Indore
Entry Tax Act, 1976	Entry Tax	410473	102700	Financial Year 2016-2017	Deputy Commissioner, Commercial Tax, Indore

- (viii) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues of debenture holders.
- (ix) The Company has not raised money by way of initial public offer. The Company has raised money by way of term loans. The moneys raised by the Company has been applied for the purpose for which they are raised.
- (x) Based upon audit procedures performed and according to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable Indian Accounting Standards.
- (xiv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the order is not applicable to the Company.
- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with them. 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. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

Place: Indore

Date: 29th June, 2020

UDIN:20410875AAAAAU3573

For Avinash Agrawal & Co.
Chartered Accountants
(FR No. 022666C)

(CA Avinash Agrawal)
(Membership No. 410875)
Proprietor

BALANCE SHEET AS AT 31st MARCH, 2020

(Rs. in Lakhs)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
ASSETS				
1 NON CURRENT ASSETS				
(a) Property Plant and Equipment	3	5,803.34	5,945.27	3,251.73
(b) Capital Work in Progress	3	1,383.69	174.36	1,565.65
(c) Other intangible assets	3	0.76	-	-
(d) Financial Assets				
(i) Others Financial Assets	4	318.41	313.00	316.13
(e) Other non current assets	5	298.67	56.11	300.37
		7,804.87	6,488.74	5,433.88
2 CURRENT ASSETS				
(a) Inventories	6	3,023.26	1,923.49	2,048.73
(b) Financial Assets				
(i) Trade Receivables	7	1,843.06	3,591.51	2,304.38
(ii) Cash and Cash Equivalents	8	35.73	39.81	269.73
(iii) Other Bank Balances	9	413.05	297.15	272.29
(iv) Loans	10	9.79	5.46	2.23
(v) Other financial assets	11	1.03	19.37	-
(c) Current Tax Assets		62.03	5.15	20.36
(d) Other Current Assets	12	806.14	1,295.90	947.19
		6,194.09	7,177.84	5,864.91
TOTAL ASSETS		13,998.96	13,666.58	11,298.79
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	13	1,181.74	1,181.74	1,181.74
(b) Other Equity	14	5,709.34	4,682.46	3,612.20
		6,891.08	5,864.20	4,793.94
LIABILITIES				
1 NON CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	15	2,762.88	2,114.20	1,518.25
(b) Provisions	16	77.43	69.57	32.40
(c) Deferred Tax Liability	17	362.43	308.71	286.36
		3,202.74	2,492.48	1,837.01
2 CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings	18	1,788.14	2,900.12	2,276.03
(ii) Trade Payables				
(A) total outstanding dues of micro and small enterprises; and	19	27.48	-	-
(B) total outstanding dues of creditors other than micro and small enterprises	19	558.02	1,385.27	978.63
(iii) Other financial liabilities	20	891.78	523.35	988.41
(b) Other Current Liabilities	21	639.72	428.03	329.69
(c) Current tax liabilities		-	73.13	95.07
		3,905.14	5,309.90	4,667.83
TOTAL EQUITY AND LIABILITIES		13,998.96	13,666.58	11,298.79
Basis of Preparation, Measurement and significant Accounting Policies	1 to 2			

The accompanying notes are an integral part of the financial statements.
 For and on behalf of Board of Directors

As per our report of even date
For Avinash Agrawal & Co.
 Chartered Accountants
 (FR No. 022666C)

Anil Choudhary
 Managing Director
 DIN 00017913

Ranjana Choudhary
 Whole Time Director
 DIN 03349699

Ravindra Choudhary
 Chief Executive Officer

Abhishek Jain
 Chief Financial Officer

Anamika Gupta
 Company Secretary
 M. No. - ACS 48148

Place: Indore
 29.06.2020

(CA Avinash Agrawal)
 Proprietor
 (Membership No. 410875)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2020

(Rs. in Lakhs)

Particulars	Note No.	For the year ended on 31.03.2020	For the year ended on 31.03.2019
INCOME:			
I Revenue From Operations	22	19,097.23	20,667.67
II Other Income	23	186.47	108.61
III Total income (I+II)		19,283.70	20,776.28
EXPENSES:			
IV Cost of materials consumed	24	10,418.18	11,773.15
Purchase of stock in trade	25	833.13	511.07
Changes in inventories of finished goods, stock in trade & work in progress	26	(1,218.18)	25.72
Employee benefit expense	27	3,211.82	2,383.55
Finance Costs	28	428.90	557.40
Depreciation and amortization expenses	4	690.11	615.48
Other Expenses	29	3,475.82	3,408.66
Total expenses (IV)		17,839.78	19,275.03
V Profit/(loss) before tax (III-IV)		1,443.92	1,501.25
VI Tax expense			
(1) Current tax		247.93	349.53
(2) Deferred tax Credit / (Charge)		53.73	22.35
Total Tax (VI)		301.66	371.88
VII Profit/(Loss) for the year from continuing operations(V-VI)		1,142.26	1,129.37
VIII Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		(1.70)	(19.51)
Remeasurments of the net defined benefit plans			
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.30	5.68
Total Other Comprehensive Income		(1.40)	(13.83)
Total Comprehensive Income for the period		1,140.86	1,115.54
IX Earnings per equity share (for continuing operation):	13		
Basic		9.67	9.56
Diluted		9.67	9.56
Basis of Preparation, Measurement and Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the financial statements.
 For and on behalf of Board of Directors

As per our report of even date
For Avinash Agrawal & Co.
 Chartered Accountants
 (FR No. 022666C)

Anil Choudhary
 Managing Director
 DIN 00017913

Ranjana Choudhary
 Whole Time Director
 DIN 03349699

Ravindra Choudhary
 Chief Executive Officer

Abhishek Jain
 Chief Financial Officer

Anamika Gupta
 Company Secretary
 M. No. - ACS 48148

Place: Indore
 29.06.2020

(CA Avinash Agrawal)
 Proprietor
 (Membership No. 410875)

BALANCE SHEET AS AT 31st MARCH, 2020
Statement of Changes in Equity for the year ended 31st March, 2020
a. Equity Share Capital
(Rs. in Lakhs)

Balance at the beginning of the reporting period i.e.1st April 2019	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period i.e.31st March 2020
1,181.74	-	1,181.74

b. Other Equity
(Rs. in Lakhs)

	Reserves and Surplus				Other Comprehensive income	Total
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	Remeasurement of Net Defined Benefit Plan	
AS ON 31st MARCH 2020						
Balance at the beginning of the reporting period i.e. 1st April 2019	9.23	10.88	406.53	4,269.64	(13.83)	4,682.46
Add :						
Profit for the year	-	-	-	1,142.26	-	1,142.26
Other comprehensive income	-	-	-	-	(1.40)	(1.40)
Total Comprehensive Income for the year	-	-	-	1,142.26	(1.40)	1,140.86
Dividend Paid (including tax of Rs. 19.43 lakhs)	-	-	-	(113.97)	-	(113.97)
Balance at the end of the reporting period i.e.31st March 2020	9.23	10.88	406.53	5,297.93	(15.23)	5,709.34

Statement of Changes in Equity for the year ended 31st March, 2019
a. Equity Share Capital
(Rs. in Lakhs)

Balance at the beginning of the reporting period i.e.1st April 2018	Changes in equity share capital during the year 2018-19	Balance at the end of the reporting period i.e.31st March 2019
1,181.74	-	1,181.74

b. Other Equity
(Rs. in Lakhs)

	Reserves and Surplus				Other Comprehensive income	Total
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	Remeasurement of Net Defined Benefit Plan	
AS ON 31st MARCH 2019						
Balance at the beginning of the 2018	9.23	10.88	406.53	3,185.56	-	3,612.20
Add :						
Profit for the Year	-	-	-	1,129.37	-	1,129.37
Other comprehensive income for the year	-	-	-	-	(13.83)	(13.83)
Total Comprehensive Income for the year	-	-	-	1,129.37	(13.83)	1,115.54
Dividend Paid (including tax of Rs. 8.12 lakhs)	-	-	-	(47.65)	-	(47.65)
Changes due to Ind AS effects transferred to retained earnings on account of fair valuation of loans	-	-	-	-	-	-
Balance at the end of the reporting period i.e.31st March 2019	9.23	10.88	406.53	4,269.64	(13.83)	4,682.46

a) NATURE AND PURPOSE OF RESERVES.
1) Capital Reserve

Capital reserve represents amount of partly paid up share forfeited.

2) General Reserves

The general reserve is a free reserve which is used from time to time to transfer profits from/to retained earnings for appropriation purposes.

3) Securities Premium

The company recognised securities premium for recording the premium on issue of shares. It is used mainly for writing off share issue expenses

4) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

5) Other Comprehensive Income

Items of Other Comprehensive Income

Remeasurements of Net Defined Benefit Plans -

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

6) Other information
Dividends Paid

Dividends paid during the year ended March 31, 2020 is Re. 0.80 per equity share which is towards final dividend for the year ended March 31, 2019.

Dividends paid during the year ended March 31, 2019 is Re. 0.70 per equity share which is towards interim dividend for the year ended March 31, 2019.

(Rs. in Lakhs)

	Final Dividend	Interim Dividend
	for FY 2018-19	for FY 2018-19
Declaration Date	18/09/2019	05/11/2018
Dividend per Equity Share	Re. 0.80/- per equity share (@ 8%) of Rs. 10/- each	Re. 0.70 (7%) per equity share of Rs. 10/- each
Dividend relinquished by Promoters	-	43.20
Total Dividend	94.54	39.52
Dividend Distribution Tax (DDT)	19.43	8.12
Total Outflow (Rs.)	113.97	47.65

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

For and on behalf of Board of Directors

Anil Choudhary
 Managing Director
 DIN 00017913

Ranjana Choudhary
 Whole Time Director
 DIN 03349699

Ravindra Choudhary
 Chief Executive Officer

Abhishek Jain
 Chief Financial Officer

Anamika Gupta
 Company Secretary
 M. No. - ACS 48148

Place: Indore
 29.06.2020

As per our report of even date
For Avinash Agrawal & Co.
 Chartered Accountants
 (FR No. 022666C)

(CA Avinash Agrawal)
 Proprietor
 (Membership No. 410875)

Cash Flow Statement for the year ended on 31st March, 2020

(Rs. in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	1,442.21	1,481.74
Adjusted for:		
(Profit) / Loss on Sale of Assets (Net)	(13.04)	(4.23)
Depreciation and amortisation expenses	690.11	615.48
Interest Income	(155.68)	(84.39)
Finance costs (Interest on lease liabilities)	8.77	8.59
Finance costs	420.13	548.82
Effect of Fair valuation of loan given in 'other equity'	-	2.36
Loss Allowances	13.77	2.63
Operating Profit before Working Capital Changes	2,406.28	2,570.98
Adjusted for:		
Decrease / (increase) in inventories	(1,099.76)	125.24
Decrease(increase) in other financial assets (non-current)	(5.41)	3.14
Decrease(increase) in other non-current assets	(242.56)	244.25
Decrease(increase) in trade receivables	1,734.68	(1,289.75)
Decrease(increase) in loans given (current)	(4.33)	(3.23)
Decrease(increase) in other financial assets (current)	18.34	(19.37)
Decrease(increase) in other current assets	489.76	(348.71)
Non- current / Current financial and other assets	1,990.48	(1,413.67)
Increase(decrease) in trade payable	(799.77)	406.63
Increase(decrease) in other financial liabilities (current)	368.43	(465.06)
Increase(decrease) in other current liabilities	211.68	98.34
Increase(decrease) in provisions (non current)	7.86	37.17
Non- current / Current financial and other liabilities	(211.80)	77.09
Cash generated from operations	3,085.19	1,359.64
Taxes Paid (Net)	(378.23)	(361.94)
Net Cash Flow from Operating Activities	2,706.96	997.71
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(1,775.28)	(1,926.88)
Proceeds from disposal of tangible and intangible assets	30.65	24.38
Net cash Flow for other financial assets	(115.90)	(24.86)
Interest Income	155.68	84.39
Net Cash flow (Used in) Investing Activities	(1,704.86)	(1,842.96)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	646.46	597.73
Proceeds/(Repayment) of Short Term Borrowings	(1,111.98)	624.09
Principal Repayment of Lease Liabilities	(6.55)	(10.02)
Dividends Paid (including Dividend Distribution Tax)	(113.97)	(47.65)
Interest Paid	(420.13)	(548.82)
Net Cash flow from/(Used in) Financing Activities	(1,006.17)	615.33
Net (Decrease) in Cash and Cash Equivalents	(4.07)	(229.92)
Opening Balance of Cash and Cash Equivalents	39.81	269.73
Closing Balance of Cash and Cash Equivalents*	35.73	39.81

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of the financial statements.
For and on behalf of Board of Directors

As per our report of even date
For Avinash Agrawal & Co.
Chartered Accountants
(FR No. 022666C)

Anil Choudhary
Managing Director
DIN 00017913

Ranjana Choudhary
Whole Time Director
DIN 03349699

Ravindra Choudhary
Chief Executive Officer

Abhishek Jain
Chief Financial Officer

Anamika Gupta
Company Secretary
M. No. - ACS 48148

Place: Indore
29.06.2020

(CA Avinash Agrawal)
Proprietor
(Membership No. 410875)

Notes to the financial statements for the year ended 31st March 2020.

1. Corporate information

Commercial Syn Bags Limited (“COMSYN” or The "Company"), domiciled in India and incorporated on 10th December, 1984 under the provisions of the Companies Act, 1956 and having its registered office at ‘Commercial House’, 3-4 Jaora Compound, M.Y.H. Road, Indore, Madhya Pradesh – 452001, India. The company is BSE SME listed company and subsequently migrated to BSE Main Board w.e.f. 13th May 2019. The company is the manufacturer and exporters of FIBC, HDPE/PP Tarpaulin, HDPE/PP Woven Sacks/Bags, BOPP Bags, HDPE/PP Fabric, Ground Cover, Pond Liners, Mulch Film, Laminates, Vermi Beds and Flexible Pipes. The Company is Del-credere Agent cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) and owns and operates solar power generation plant at Village Galihara, Dharakhedi, Tehsil Sitamau and Dist Mandsaur for generation of electricity and its captive consumption.

2. Basis of preparation, presentation and significant accounting policies

2.1 Statement of Compliance

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

These financial statements for the year ended 31 March 2020 are the first financial statements of the Company prepared under Ind AS. For all periods upto and including the year ended 31 March 2019, the Company had prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006 (‘Previous GAAP’). Detailed explanation on how the transition from Previous GAAP to Ind AS has affected the Company’s financial position, financial performance and cash flows is given in Note No 2.6 Previous year’s figures have been regrouped / reclassified wherever necessary to conform with the current year’s classification / disclosures.

The Board of Directors approved the financial statements for the year ended 31st March 2020 and authorised for issue on 29th June, 2020.

2.2 Basis of preparation and presentation

a. Basis of Preparation

The Company maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value, recoverable amount or net realisable value in accordance with Indian Accounting Standards. The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

b. Basis of Presentation

- i. The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (“the Act”). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows” by use of Indirect method. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.
- ii. The Company’s Financial Statements are presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated, as permitted by Schedule III to the Companies Act, 2013. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0” in the relevant notes to these financial statements.
- iii. Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised 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 the 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: -

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the 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.

2.3 Key Accounting Estimates and Judgements

The preparation of these standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Company uses the following critical accounting estimates in preparation of its financial statements:

Key sources of estimation of uncertainty at the reporting date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives and carrying amounts of property, plant and equipment, fair value measurements of financial instruments, revenue recognition, employee benefits, valuation of deferred tax assets and leases, these are discussed below.

Outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability.

(a) Property, Plant and Equipment

Judgement is required in applying the recognition criteria as to what constitutes an item of property, plant and equipment. The Company uses judgement to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of initial recognition. 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.

The Company reviews its carrying value of Property, plant and equipment carried at cost (net of impairment, if any) annually, when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. It involves, among other techniques, estimations in respect of expected future cash flows and discount rates to arrive at present value of expected cash flows.

The carrying amount of Property, plant and Equipment is given at note no. 3

(b) Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The carrying value of fair value of financial instruments is given at note no. 4, 7 to 11 and 18 to 20.

(c) Revenue Recognition

The Company derives its revenue primarily from sale of merchandise and commission from DCA cum CS business.

The Company's contract with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgment is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

The Company uses judgement to estimate the value of the goods or services to the customer transferred to date relative to the remaining goods or services promised under contract which is used to determine the degree of completion of the performance obligation.

The amount of revenue recognised is given in note no. 22.

(d) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

The carrying value of employee benefit plans in the nature of defined benefits is given in note no. 27.

(e) Deferred Tax Assets

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

The carrying value of deferred tax assets is given in note no. 17.

(f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The carrying value of lease obligations and Right of use assets is given at note numbers 15 And 20 respectively.

2.4 Recent accounting developments

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2.5 Summary of Significant Accounting Policies
(a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost after deducting trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, non-refundable purchase taxes, any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

The Company has opted cost model as its accounting policy for measurement after recognition.

Depreciation on Property, Plant and Equipment is provided using Straight Line Method taking life of the assets as given in the Schedule -II of Companies Act, 2013 on 95% of value of assets.

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

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Property, plant and equipment are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

(b) Intangible Assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

The Company has opted cost model as its accounting policy for measurement after recognition.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The Company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss

(c) Inventories

Inventories consists of raw materials, Work in progress, finished goods and stores and spares. Inventories are valued at the lower of cost and net realisable value except wastage which is valued at net realisable value. The cost of inventories shall comprise all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present, location and condition. The costs of inventories are assigned using the first in, first out (FIFO) formula. When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised.

(d) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Financial Instruments
(i) Financial Assets
Initial Recognition and Measurement

The company recognises a financial asset when it becomes party to the contractual provisions of the instrument. All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition

Where the fair value of the financial asset at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent Measurement

Financial Assets measured at Amortised Cost

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value through Other Comprehensive Income

A Financial Asset is measured a FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value Through Profit or Loss

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

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

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Reclassification of Financial Assets

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(ii) Financial Liabilities

Initial Recognition and Measurement

The company recognises a financial liability when it becomes party to the contractual provisions of the instrument. All Financial Liabilities are recognised at fair value and in case of financial liabilities classified as 'subsequently measured at amortised cost' are shown net of directly attributable cost.

Where the fair value of the financial liability at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent Measurement

Financial Liabilities which are classified as 'subsequently measured at amortised cost' are carried at amortised cost using the effective interest method.

Hedge Accounting

The Company uses derivative financial instruments such as forward contracts to mitigate the risk of changes in exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

Fair Value Hedge

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in foreign exchange rates. The gain or loss on the hedging instrument is recognised in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

Derecognition of Financial Instruments

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(f) Provisions and contingent liabilities

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

(ii) Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(g) Revenue Recognition

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Sale of Goods

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Commission income

The Company is also Del-credere Agent cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) to deal in granules. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Principal has not retained any significant risks of ownership

or future obligations with respect to the goods shipped.

Job work and other services

Revenue from rendering of other services is recognised over time by measuring the progress towards complete satisfaction of performance obligations by using output method at the reporting period.

Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

Export Licences

The revenue from transfer of export licences has been recognised when control over licences are transferred.

(h) Contract Balances

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

(i) Government Grants

Government grants, including non-monetary grants at fair value, are recognised when there is reasonable assurance that:

- (a) the entity will comply with the conditions attaching to them; and
- (b) the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Presentation of Government grants

Grant related to specific fixed assets are presented in the balance sheet by showing the grant as deduction from the gross value of asset concerned in arriving at their book value.

Grants related to income are presented as part of profit or loss.

(i) Employee Benefits Expense

Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Leave encashment is accounted for on cash basis. Company compulsorily pays for encashment of leave within 12 months. Hence all payments are short term in nature.

Post-Employment Benefits

Defined Contribution Plans

The Company recognises contribution payable to the provident fund and ESIC scheme as an expense, when an employee

renders the related service.

Defined Benefit Plans

The Company has opted Group Gratuity Scheme of Life Insurance Corporation of India. The Company makes contribution to the fund under that scheme. Provision for obligations is made for any shortfall in contribution to the fund as against the present value of defined benefit obligations towards gratuity at the reporting date.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

(j) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(k) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

(l) Income Taxes

Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current taxes

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the Income Tax authorities, based on tax rates and laws that are enacted at the reporting date.

Deferred taxes

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

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 income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

(m) Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

(n) Foreign Currencies Transactions and Translation**Initial Recognition and Measurement**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction i.e. spot exchange rate between the functional currency and the foreign currency.

Subsequent recognition and Measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

(o) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

2.6 First Time adoption of Ind AS

The Company has adopted Ind AS w.e.f 1 April 2019 with a transition date of 1 April 2018. Accordingly, financial statements for the year ended 31 March 2020 together with the comparative information for the year ended 31 March 2019 and opening Ind AS balance sheet as at 1 April 2018 have been prepared in accordance with accounting policies as set out in Note 2 - "Significant accounting policies". The Company has prepared its opening Ind AS balance sheet as at 1 April 2018 by recognising assets and liabilities whose recognition is required by Ind AS, derecognising assets and liabilities which are not permitted by Ind AS, reclassifying assets and liabilities as required by Ind AS, and applying Ind AS measurement principles, subject to certain optional exemptions and mandatory exceptions. The resulting difference between the carrying values of the assets and liabilities as at the transition date under Ind AS and Previous GAAP have been adjusted directly against "Other Equity". The effect of the transition to Ind AS on Company's financial position, financial performance and cash flows is set out below.

(a) Optional exemptions and mandatory exceptions

The Company has availed the following optional exemptions and mandatory exceptions on first time adoption of Ind AS as per Ind AS 101.

(i) Optional exemptions

Deemed cost for property, plant and equipment

The Company has opted to continue with the carrying value as per the Previous GAAP for all items of its property, plant and equipment as its deemed cost on the date of transition.

Deemed cost for intangible assets on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April, 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Leases

The company as a "Lessee" to the contract recognises lease liabilities and right of use assets. The company measures a right of use asset at the date of transition to Ind AS on lease by lease basis at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of transition to Ind AS.

Revenue from Contracts with Customers

The company has availed the exemption under Para D35 of Ind AS 101 i.e., not to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP.

Designation of previously recognised financial instruments

The company has designated financial assets as measured at fair value through profit or loss in accordance with para 4.1.5 of Ind as 109 on the basis of fact and circumstances that exist at the date of transition to Ind ASs.

Details of financial assets at the date of designation i.e. 1st April 2019

(Rs. in Lakhs)

	Classification	Fair Value	Carrying value in the financial statements prepared under previous GAAP
Financial assets	Fair Value through Profit & Loss	24.82	31.76

(ii) Mandatory exceptions

Classification and measurement of financial assets

The Company has determined the classification and measurement of financial assets on the basis of the facts and circumstances existing at the date of transition.

(iii) Estimates

The Company's estimates under Ind AS as at 1 April 2018 are consistent with the estimates as at the same date made in conformity with the Previous GAAP. However, estimates that were not required under Previous GAAP but now required under Ind AS have been made on the basis of facts and conditions as at the date of transition.

Reconciliation of equity as reported in accordance with Previous GAAP to equity in accordance with Ind AS **(Rs. in Lakhs)**

Particulars	As at	As at
	31st March, 2019	01st April, 2018
Equity as reported under previous GAAP	4,678.64	3,606.03
<u>Leases</u>		
Depreciation of ROU Asset, reversal of lease rent and finance cost	(2.97)	-
<u>Borrowings</u>		
Changes in value of term loans on account of fair valuation	7.51	4.28
<u>Securities deposit</u>		
Security Deposit for Leases written back	4.88	4.88
<u>Loss allowances</u>		
Provision for expected credit losses	(5.61)	(2.98)
Equity in accordance with Ind AS	4,682.45	3,612.20

Reconciliation of Net Profit after tax for the period as reported in accordance with Previous GAAP to Total Comprehensive Income for the period in accordance with Ind AS

(Rs. in Lakhs)

Particulars	Rs.
Net Profit after tax as reported under previous GAAP	1,120.79
Finance Costs on account of leases and fair valuation of term loans	(7.71)
Depreciation of ROU asset, reversal of lease rent and other expenses	5.42
loss allowance	(2.63)
Others (net)	(0.33)
Total comprehensive income under Ind AS	1,115.54

Reconciliation of Statements of cash flow

There are no material adjustments to the Statements of cash flow as reported in the previous GAAP.

Notes to reconciliations between Previous GAAP and Ind AS

Leases

Lease rentals payable on leases were charged to Statement of Profit and loss under previous GAAP. For lessees Ind AS requires recognition of lease obligations at present value of future lease payments which is unwinded at each reporting date. It also recognition of lease assets which is depreciated over the lease term.

Borrowings

Under Ind AS borrowings are initially measured at fair value less transaction costs and classified as 'subsequently measured at amortised cost'.

Loss Allowance

Impairment for trade receivable is measured in Ind AS based on life time expected credit losses. Expected credit loss allowance is measured based on historical credit loss experience, defaults, and forward looking information where relevant adjusted for probability of recovery. Under Previous GAAP, provision for trade receivable is measured based on factors such as age of receivables, defaults etc. adjusted for probability of recovery.

NON CURRENT ASSETS
3. PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakhs)

Particulars	Cost						Accumulated depreciation			Net carrying amount as at 31st March, 2020
	Useful life (In Years)	As at 1st April, 2019	Addition	Disposal	As at 31st March, 2020	As at 1st April, 2019	Depreciation for the year	As at 31 March, 2020		
PROPERTY, PLANT AND EQUIPMENT										
Freehold Land	NA	23.33	57.94	-	81.28	-	-	-	-	81.28
Site Development	30	1.74	-	-	1.74	0.07	0.07	0.14	0.14	1.60
Factory Building	30	2,616.13	85.97	-	2,702.10	74.12	90.09	164.21	164.21	2,537.89
Office Building	60	2.31	-	-	2.31	0.06	0.06	0.12	0.12	2.18
Plant & Machinery	15	3,157.81	266.37	-	3,424.18	481.76	519.38	1,001.14	1,001.14	2,423.05
Plant & Machinery (Sold During the Year)		9.25	-	9.25	-	-	-	-	-	-
Furniture and Fixture	10	125.55	19.85	-	145.40	10.66	15.04	25.70	25.70	119.70
Computer	3	31.74	13.08	-	44.82	7.67	11.98	19.65	19.65	25.17
Vehicles	8	134.40	104.22	7.76	230.86	18.68	30.22	48.90	48.90	181.96
Equipments	5	41.28	13.70	-	54.98	5.13	9.39	14.52	14.52	40.47
Building (Other than Factory Building)	60	143.90	-	-	143.90	2.37	2.37	4.74	4.74	139.17
TOTAL		6,287.44	561.13	17.01	6,831.56	600.51	678.60	1,279.11	1,279.11	5552.45
CAPITAL WORK IN PROGRESS										
Factory Building		44.78	563.10	99.45	508.43	-	-	-	-	508.43
Capital expenditure on factory building		115.13	2.19	6.80	110.51	-	-	-	-	110.51
Furniture and Fixture		9.44	6.89	16.34	-	-	-	-	-	-
Plant & Machinery		5.01	732.41	4.77	732.65	-	-	-	-	732.65
Interest to be capitalised in Factory Building			13.92		13.92					13.92
Interest to be capitalised in Plant & Machinery			18.18		18.18					18.18
TOTAL		174.36	1,336.69	127.36	1,383.69	-	-	-	-	1,383.69
RIGHT OF USE ASSETS										
Leasehold Land	15 to 99 Years	269.49	3.82	-	273.31	11.14	11.27	22.42	22.42	250.89
TOTAL		269.49	3.82	-	273.31	11.14	11.27	22.42	22.42	250.89
OTHER INTANGIBLE ASSETS										
Computer Software	3	-	1.00	-	1.00	-	0.24	0.24	0.24	0.76
TOTAL		-	1.00	-	1.00	-	0.24	0.24	0.24	0.76

(Rs. in Lakhs)

Particulars	Cost						Accumulated depreciation			Net carrying amount as at 31st March, 2019
	As at 1st April, 2018	Addition	Disposal	As at 31st March, 2019	As at 1st April, 2018	Depreciation for the year	As at 31 March, 2019			
PROPERTY, PLANT AND EQUIPMENT										
Freehold Land	NA	23.33	-	23.33	-	-	-	-	-	23.33
Site Development	30	1.74	-	1.74	-	-	0.07	0.07	0.07	1.67
Factory Building	30	984.93	1,631.20	2,616.13	-	-	74.12	74.12	74.12	2,542.00
Office Building	60	2.31	-	2.31	-	-	0.06	0.06	0.06	2.24
Plant & Machinery	15	1,681.98	1,485.08	3,167.06	-	-	481.76	481.76	481.76	2,685.30
Plant & Machinery (Sold During the Year)		1.48	-	1.48	-	-	0.31	0.31	-	-
Furniture and Fixture	10	53.03	72.52	125.55	-	-	10.66	10.66	10.66	114.90
Computer	3	10.18	21.56	31.74	-	-	7.67	7.67	7.67	24.07
Vehicle	8	57.22	77.19	134.40	-	-	18.68	18.68	18.68	115.73
Vehicle (Sold During the Year)		11.48	-	11.48	-	-	3.51	3.51	-	-
Equipment	5	10.67	30.61	41.28	-	-	5.13	5.13	5.13	36.15
Building	60	143.90	-	143.90	-	-	2.37	2.37	2.37	141.53
TOTAL		2,982.24	3,318.16	6,287.44	-	-	604.33	604.33	600.51	5,686.93
CAPITAL WORK IN PROGRESS										
Factory Building		1,103.18	-	44.78	-	-	-	-	-	44.78
Plant & Machinery		460.83	-	455.81	-	-	-	-	-	5.01
Capital expenditure on factory building		1.64	249.55	136.06	-	-	-	-	-	115.13
Furniture and Fixture		-	9.44	9.44	-	-	-	-	-	9.44
TOTAL		1,565.65	259.00	1,650.28	-	-	-	-	-	174.36
RIGHT OF USE ASSETS										
Leasehold Land	15 to 99 Years	269.49	-	269.49	-	-	11.14	11.14	11.14	258.34
TOTAL		269.49	-	269.49	-	-	11.14	11.14	11.14	258.34

1 a. Borrowing Cost Rs. 32.10 Lakhs capitalised during the year (previous year Rs. 0) and added to Property, Plant and Equipment / Capital Work in Progress.

b. The capitalisation rate is the weighted average of the borrowing costs applicable to all borrowings that are outstanding during the period.

Borrowings costs have been capitalised during the year against qualifying assets under construction using a capitalisation rate of 9.25%. (2018-19: 9.25 %)

2 The details of Property, Plant and Equipment which have been pledged as security are given in Note no. 15

3 Right of Use assets consists of lease contracts entered into by the Company pertains for lands taken on lease to conduct its business in the ordinary course.

4 **Capital Commitments**

Commitments to the extent not provided for are Rs . 1071.80 Lakhs (Previous Year Rs.166.73 Lakhs)

4 Others Financial Assets

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Security and Earnest Money Deposits	318.41	313.00	316.13
TOTAL	318.41	313.00	316.13

5. Other non current assets

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
i. Capital Advances	286.38	41.36	285.29
ii. Advances other than the capital advances			
a. Security Deposits			
Sales Tax Department	0.70	0.70	0.70
b. other advances			
Prepaid Lease Rent	9.02	9.23	9.42
Prepaid Expenses	2.57	2.68	2.80
Income Tax Appeal	-	2.15	2.15
TOTAL	298.67	56.11	300.37

CURRENT ASSETS

6 Inventories

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Valued at lower of cost and net realisable value except wastage which is valued at net realisable value			
Raw Materials			
i) Material in Transit	61.14	-	-
ii) Material In Hand	308.65	583.85	697.16
Work-in-progress	860.17	598.55	888.39
Finished goods	1,539.38	580.46	318.52
Stock in trade	0.05	0.05	0.23
Stores and spares	253.87	160.58	144.43
TOTAL	3,023.26	1,923.49	2,048.73

The carrying amount of inventory pledged as securities for borrowings is Rs. 3023.26 lakhs (Rs. 1923.50 lakhs as at 31st March 2019)

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Details of Inventory			
Raw Materials			
Plastic Granules	165.79	322.46	374.83
Master Batch	50.22	62.27	106.85
Fabric	66.67	105.51	129.09
Bopp Film	17.42	35.38	33.62
Thread / Crimpt yarn / Filler Cord/ Belt	61.10	47.22	51.67
Liner	8.60	11.00	1.11
TOTAL	369.79	583.85	697.16

Work in Progress/Semi Finished Goods			
Fabric (at Jobwork)	301.29	112.89	61.87
Fabrilated Thread	39.47	44.65	51.37
Re Process Granules	-	3.41	7.39
Goods in Process	298.55	228.27	541.14
U L F/LF/BSLF/BSLF-II/BELT	220.85	209.33	226.63
TOTAL	860.17	598.55	888.39
Finished Goods			
HDPE Bags (FIBC)	629.55	520.32	292.30
HDPE Bags	54.56	27.89	4.58
Stock In Transit	821.92	-	-
Tarpauline(In SQF)	26.81	22.03	19.38
HDPE Wastage	1.85	1.62	0.69
Liner	4.69	8.60	1.56
TOTAL	1,539.38	580.46	318.52
Stock in Trade			
Fabric (HO)	0.01	0.01	0.06
Bags	0.01	0.01	0.01
Fabrics (as such)	0.03	0.03	0.17
TOTAL	0.05	0.05	0.23
Stores and Spares			
Printing Ink	17.37	16.93	15.21
Thinner	1.88	1.92	1.47
M.I.B.K.	0.14	0.15	-
Ethyl Acetate	0.38	0.83	0.75
Toluene Duty Paid	-	0.21	0.11
Oil	1.70	0.90	1.06
Diesel	1.95	2.98	2.98
Box Strips	0.04	0.04	0.04
HDPE/PP Rope	-	-	0.01
Butanol	0.24	0.09	0.19
Plant Maintence (Spare Parts)	230.16	136.52	122.61
TOTAL	253.87	160.58	144.43

7 Trade receivables

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Trade receivables			
unsecured,considered good	1,862.44	3,597.12	2,307.36
Less : Allowances for bad and doubtful debts	19.38	5.61	2.98
TOTAL	1,843.06	3,591.51	2,304.38

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Debts due by Officers	7.45	12.62	3.33
Total	7.45	12.62	3.33

8 Cash and cash equivalent

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
(a) Balance with banks	20.37	21.94	246.57
(b) Cash on hand	15.36	17.87	23.15
Total	35.73	39.81	269.73

9 Other Bank Balances

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Balances with banks held as margin money or security against borrowings and guarantee	413.05	297.15	272.29
Total	413.05	297.15	272.29

10. Loans

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Loans Unsecured, considered good	9.79	5.46	2.23
Total	9.79	5.46	2.23

11. Other Financial Assets

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Other Recoverable	1.03	0.00	-
Gain on Forward Contract	-	19.37	-
Total	1.03	19.37	-

12. Other current assets

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Advances other than capital advances			
other advances	82.86	113.63	61.19
Export Benefit Receivable	237.23	239.72	215.50
VAT Refund Claim	21.28	21.27	50.01
Sales Tax Subsidy	-	-	36.85
Service Tax Recoverable	0.43	0.43	-
PF Recoverable	-	7.78	-
Deposits for Appeal (VAT, CST, ET)	2.36	-	-
Prepaid Expenses	38.12	27.56	17.36
Advance Duty Deposit	1.33	2.86	0.39
GST Recoverable	422.53	882.65	565.89
Total	806.14	1,295.90	947.19

EQUITY AND LIABILITIES

13. Equity Share Capital

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Authorised Share Capital			
1,30,00,000 Equity Shares of Rs. 10/- each (Previous year 1,30,00,000 Equity Shares of Rs. 10/-each)	1,300.00	1,300.00	1,300.00
(b) Issued and Subscribed :-	1,181.74	1,181.74	1,181.74
1,18,17,400 Equity Shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)			
(c) Fully Paid up Capital :-	1,181.74	1,181.74	1,181.74
1,18,17,400 Equity Shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)			
Total paid up Capital	1,181.74	1,181.74	1,181.74

a The Details of Shareholders holding more than 5% shares :-

(Equity Shares in Lakhs)

Shares held by Shareholder holding more than 5% share in the company	As at 31 March 2020		As at 31 March 2019		As at 01 April 2018	
	No.of shares	% Held	No.of shares	% Held	No.of shares	% Held
Pradeep Kumar Agrawal	8.47	7.16	8.72	7.38	8.72	7.38
Super Sack Private Limited	34.42	29.12	32.49	27.49	31.14	26.35

b. Reconciliation of number of share

(in Lakhs)

	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Rs.	No. of shares	Rs.
Equity shares				
Opening balance	118.17	1,181.74	118.17	1,181.74
Issued during the year	-	-	-	-
closing balance	118.17	1,181.74	118.17	1,181.74

c Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

d Bonus Share

The company has allotted 64,69,050 fully paid by Equity Shares of face value of Rs. 10/- each during the Financial Year 2015-2016 pursuant to the bonus issue approved by the shareholders at their Extra ordinary General Meeting held on 15th March, 2016 in the ratio of 3 equity shares for every 1 Equity Share held on record date. The record date fixed by the Board of Directors for issue of Bonus Shares is 15th March, 2016, Except this the Company has not made any allotment of shares as Bonus Shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared

e Capital Management

The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

f Earnings Per Share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earning per share adjusts the figures used in determination of basic earning per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as the beginning of the period unless issued at a later date.

(Rs. in Lakhs except EPS)

Earning Shares	As at 31st March 2020	As at 31st March 2019
Calculation of Basic and Diluted EPS:		
Total Comprehensive income	1,142.26	1,129.37
Net Profit (loss) for calculation of basic EPS	1,142.26	1,129.37
Weighted average number of equity shares	118.17	118.17
Basic EPS	9.67	9.56
Calculation of Diluted EPS:		
Profit(loss) after tax	1,142.26	1,129.37
Weighted average number of equity shares	118.17	118.17
Diluted EPS	9.67	9.56

14 Other equity

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Other equity consist of following:			
Capital Reserve			
Opening Balance	9.23	9.23	9.23
Closing Balance	9.23	9.23	9.23
General Reserve			
Opening Balance	10.88	10.88	10.88
Closing balance	10.88	10.88	10.88
Security Premium Reserve			
Opening Balance	406.53	406.53	406.53
Closing balance	406.53	406.53	406.53
Retained Earnings			
<u>Surplus(deficit) in the statement of Profit & Loss</u>			
Balance as per last financial statement	4,269.64	3,185.56	2,563.46
IND AS Impact	-	2.36	9.15
Profit(loss) during the year	1,142.26	1,129.37	612.95
Less: Appropriations			
Dividend Paid for 2018-19	94.54	39.52	-
Dividend Distribution Tax	19.43	8.12	-
Net surplus in the statement of profit and loss	5,297.93	4,269.64	3,185.56
TOTAL	5,724.57	4,696.28	3,612.20
Other Comprehensive Income (OCI)			
Balance as per last financial statement	(13.83)	-	-
Add: Movement in OCI (Net) during the year	(1.40)	(13.83)	-
TOTAL	(15.23)	(13.83)	-
Total other Equity	5,709.34	4,682.46	3,612.20

15. Borrowings

(Rs. in Lakhs)

	Non Current Portion			Current Maturities		
	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
(a) Bonds and Debentures						
(b) Term loans						
From Banks						
secured	2,524.97	1,874.82	1,282.23	644.76	378.02	246.58
(c) Long term maturity lease obligation	96.64	94.42	96.20	7.50	7.51	7.16
(d) Other loans						
unsecured	141.27	144.96	139.82	-	-	-
Net Amount	2,762.88	2,114.20	1,518.25	652.27	385.52	253.74

Term Loan from Kotak Mahindra Bank Limited

Term loan from Kotak Mahindra Bank Limited Rs 1743.41 Lakhs (Previous year balance Rs 1592.23 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (i.e. Company) (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties :-

- (a) Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- (b) Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- (c) Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- (d) Property situated at Block A & B of office premises at 3-4 Jaora Compound, M.Y.H. Road, Indore.

The Term Loan is further secured by Personal Guarantee(s) of Shri Anil Choudhary, Managing Director and Smt Ranjana Choudhary, Whole Time Director of the Company and by Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

Term Loan from Kotak Mahindra Bank Limited consists of Rupee Term Loan of Rs. 470.99 Lakhs (Previous balance Rs. 857.29) and Foreign Currency Term Loan (FCTL in Euro) of Rs. 1272.42 Lakhs (Previous balance Rs. 733.34 Lakhs). There repayments are as –

FCTL – I of Rs. 320.96 Lakhs (Euro 402528.66) (Previous balance Rs. 360.15 Lakhs (Euro 479560.11)) is repayable in 17 Equated Quarterly Instalments of Euro 23270 each starting from December, 2018 to September, 2022 and last instalment of Euro 199283.74 in December, 2022.

FCTL – II of Rs. 227.42 Lakhs (Euro 389544.20) (Previous balance Rs. 373.19 Lakhs (Euro 464218.48)) is repayable in 17 Equated Quarterly Instalments of Euro 22552 each starting from December, 2018 to September, 2022 and last instalment of Euro 192512.75 in December, 2022.

FCTL – III of Rs. 336.85 Lakhs (Euro 273834.03) (Previous balance Nil) is repayable in 17 Equated Quarterly Instalments of Euro 15828 each starting from June, 2019 to March, 2023 and last instalment of Euro 105923.93 in June, 2023.

FCTL – IV of Rs. 234.78 Lakhs (Euro 282697.40) (Previous balance Nil) is repayable in 17 Equated Quarterly Instalments of Euro 16275 each starting from September, 2019 to June, 2023 and last instalment of Euro 94747.88 in September, 2023.

FCTL – V of Rs. 152.41 Lakhs (Euro 183511.16) (Previous balance Nil) is repayable in 50 Equated Monthly Instalment of Euro 3790 each starting from January, 2020 to January, 2024 and last instalment of Euro 22708.72 in February, 2024.

Rupee Term Loan I of Rs. 298.90 Lakhs (Previous balance Rs. 847.41 Lakhs) is rephrased due to its conversion into FCTL and after its rephrasing repayable in 22 Equated Quarterly instalment of Rs. 19.41 Lakhs each starting from September, 2019 to September, 2024 and last instalment of Rs. 13.42 Lakhs in December, 2024.

Rupee Term Loan II of Rs. 139.11 Lakhs (Previous balance Nil) is repayable in 53 Equated Monthly Instalment of Rs. 3.33 Lakhs each starting from January, 2020 to May, 2024.

Rupee Term Loan III of Rs. 32.98 Lakhs (Previous balance Nil) is rephrased due to its conversion into FCTL and after its rephrasing repayable in 54 Equated Monthly Instalment of Rs. 0.76 Lakhs starting from February, 2020 to May, 2024.

Term Loan from Bank of Baroda

Term loan from Bank of Baroda Rs 457.21 Lakhs (Previous balance Rs 585.61 Lakhs) is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters and building thereon situated at plot No. S-3/1, Sector 1 Industrial Area, Pithampur, Dist. Dhar. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sqmtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.). The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sqft (724.91 sq m) and Building thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the above mentioned all factories, present and future. The loan also secured by exclusive 1st charge by way of hypothecation of entire machineries, electrical installations and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future.

The term loan is also guaranteed by Shri Anil Choudhary Managing Director, Smt. Ranjana Choudhary, Whole Time Director of the company, Shri Pradeep Kumar Agrawal and Shri Ashok Kumar Agrawal shareholders of the Company and Corporate Guarantee of Super

Sack Pvt Ltd (Corporate Promoter of the Company).

Term Loan from Bank of Baroda consists of Rupee Term Loan of Rs. 457.21 Lakhs (Previous balance Rs. 585.61). There repayments are as –

Rupee Term Loan II of Rs. 47.11 Lakhs (Previous balance Rs. 82.73 Lakhs) is repayable in twenty eight quarterly instalment, first five instalment of Rs. 4.50 Lakhs each, eight instalment of Rs. 6.75 Lakhs each, eight instalment of Rs. 9.00 Lakhs each, four instalment of Rs. 10.125 Lakhs each and last three quarterly instalment of Rs. 12.00 Lakhs each commencing from February, 2015.

Rupee Term Loan III of Rs. 105.36 Lakhs (Previous balance Rs. 149.20 Lakhs) is repayable in seven years including fifteen months moratorium period with twenty three graded quarterly instalment commencing after initial moratorium of fifteen months from the date of first disbursement. The repayment will be in four quarterly instalment of Rs. 4.06 Lakhs each, four quarterly instalments Rs. 8.13 Lakhs each, four quarterly instalment of Rs. 12.19 Lakhs each, eight quarterly instalments of Rs. 20.31 Lakhs each and three quarterly instalments of Rs. 21.67 Lakhs each commencing from December, 2016.

Rupee Term Loan III (for Solar Division) of Rs. 304.74 Lakhs (Previous balance Rs. 353.68 Lakhs) is repayable in ten years including six months moratorium period with thirty eight graded quarterly instalment commencing from July, 2017. The repayment will be in three quarterly instalment of Rs. 5.60 Lakhs each, four quarterly instalments Rs. 6.30 Lakhs each, four quarterly instalment of Rs. 7.35 Lakhs each, four quarterly instalments of Rs. 8.93 Lakhs each, four quarterly instalment of Rs. 10.50 Lakhs each, four quarterly instalment of Rs. 12.08 Lakhs each, four quarterly instalment of Rs. 13.65 Lakhs each, eight quarterly instalment of Rs. 14.70 Lakhs each and three quarterly instalment of Rs. 16.80 Lakhs each and last instalment is payable in October, 2026.

Term Loan from HDFC Bank Limited

Term Loan from HDFC Bank Limited Rs. 869.67 Lakhs (Previous balance Nil) is primarily secured by hypothecation of Plant and Machinery, Stock, Book Debts, FD, Stock for Export, Export Debtors of Unit – II pari passu charge with Bank of Baroda and collaterally secured by Equitable Mortgage of property at Plot No. S-3/2 Sector – I, Pithampur, Dhar (M.P.) consisting of leasehold land and building thereon.

Term Loan from HDFC Bank Limited consists of Rupee Term Loan of Rs. 869.67 Lakhs (Previous balance Nil). There repayment is as –

Rupee Term Loan of Rs. 869.67 Lakhs (Previous balance Nil) is repayable in varied Equated Monthly Instalment starting from June, 2019 to September, 2026.

Other Term Loans

Term Loan (Car Loan) from Axis Bank Limited Rs. 33.65 Lakhs (Previous balance Rs 49.06 Lakhs) is secured by hypothecation of Mercedes Benz Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Car Loan) from Axis Bank Limited Rs. 40.22 Lakhs (Previous balance Nil) is secured by hypothecation of Mercedes Benz Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Car Loan) from HDFC Bank Limited Rs. 19.28 Lakhs (Previous balance Nil) is secured by hypothecation of Toyota Innova Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Commercial Vehicle Loan) from Yes Bank Limited Rs. 6.30 Lakhs (Previous balance Rs. 11.27 Lakhs) is secured by hypothecation of one Eicher Vehicle.

Term Loan (Commercial Vehicle Loan) from Yes Bank Limited of Rs. 6.30 Lakhs (Previous balance Rs. 11.27 Lakhs) is repayable in thirty six equated monthly instalment of Rs. 0.45 Lakhs each commencing from July, 2018 to July, 2021.

Term Loan (Car Loan) from Axis Bank Limited of Rs. 33.65 Lakhs (Previous balance Rs. 49.06 Lakhs) is repayable in thirty six equated monthly instalment of Rs. 1.61 Lakhs each commencing from March, 2019 to February, 2022.

Term Loan (Car Loan) from Axis Bank Limited of Rs. 40.22 Lakhs (Previous balance Nil) is repayable in thirty six equated monthly instalment of Rs. 1.61 Lakhs each commencing from August, 2019 to July, 2022.

Term Loan (Car Loan) from HDFC Bank Limited of Rs. 19.28 Lakhs (Previous balance Nil) is repayable in thirty six equated monthly instalment of Rs. 0.70 Lakhs each commencing from November, 2019 to October, 2022.

Lease obligations

- a. Incremental Borrowing Rate applied to lease liabilities is 9.20%
- b. The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(Rs. in Lakhs)

Maturity Profile of Lease Liability		
Particulars	As at 31st March 2020	As at 31st March 2019
Below 3 Months	7.51	7.51
3-6 Months	-	-
6-12 Months	-	-
1-3 Years	15.02	15.02
3-5 Years	22.52	22.52
Above 5 Years	110.86	118.02

16. Provisions

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Employee benefits			
Net defined benefit obligations for gratuity	77.43	69.57	32.40
Total	77.43	69.57	32.40

17 Deferred tax liabilities

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
<u>Deferred tax liabilities/assets (net)</u>			
Deferred tax liability			
Timing difference on account of			
Depreciation	(360.25)	(297.66)	(286.36)
<u>Deferred tax asset</u>			
Timing difference on account of			
Expenses allowable on payment basis	(2.19)	(11.04)	-
Net Deferred Tax	(362.43)	(308.71)	(286.36)

CURRENT LIABILITIES**18 Borrowings**

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
<u>Short term borrowings</u>			
(a) Loans repayable on demand			
(i) From banks			
Secured			
Cash Credit Loan (Unit II)	357.38	373.11	314.82
Cash Credit Loans (Unit - I)	434.48	1,018.99	1,785.77
Cash Credit SBI Ltd (Trading Segment)	715.41	487.17	116.98
Cash Credit Loans (Unit - SEZ)	246.01	986.82	-
(b) Loans from related parties			
Secured			

Unsecured	34.86	34.03	58.46
The above amount includes:			
Secured borrowings	1,753.28	2,866.09	2,217.57
Unsecured borrowings	34.86	34.03	58.46
Total	1,788.14	2,900.12	2,276.03

Kotak Mahindra Bank Limited

Working Capital Loan from Kotak Mahindra Bank Limited of Rs. 680.48 Lakhs (Previous balance Rs. 2005.81 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties

- Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- Property situated at Block A & B of office premises at 3-4 Jaora Compound, M.Y.H. Road, Indore.

Bank of Baroda

Working Capital Loan from Bank of Baroda of Rs. 349.89 Lakhs (Previous balance Rs. 341.37 Lakhs) is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters and building thereon situated at plot No. S-3/1, Sector 1 Industrial Area, Pithampur, Dist. Dhar. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sqmtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.). The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sqft (724.91 sq m) and Building thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the above mentioned all factories, present and future. The loan also secured by exclusive 1st charge by way of hypothecation of entire machineries, electrical installations and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future.

The term loan is also guaranteed by Shri Anil Choudhary Managing Director, Smt. Ranjana Choudhary, Whole Time Director of the company, Shri Pradeep Kumar Agrawal and Shri Ashok Kumar Agrawal shareholders of the Company and Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

HDFC Bank Limited

Working Capital Loan from HDFC Bank Limited of Rs. 7.49 Lakhs (Previous balance Rs. 31.74 Lakhs) is primarily secured by hypothecation of Plant and Machinery, Stock, Book Debts, FD, Stock for Export, Export Debtors of Unit – II paripassu charge with Bank of Baroda and collaterally secured by Equitable Mortgage of property at Plot No. S-3/2 Sector – I, Pithampur, Dhar (M.P.) consisting of leasehold land and building thereon.

State Bank of India

Working Capital Loan from State Bank of India of Rs. 715.41 Lakhs (Previous balance Rs. 487.17 Lakhs) is secured by first charge by way of hypothecation of company's stock/ receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Directors of the Company.

In case of all unsecured loans, there is no fixed repayment schedule. There is no continuing default in repayment of any loan or interest thereon.

19 Trade Payables

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
(A) total outstanding dues of micro and small enterprises; and	27.48	-	-
(B) total outstanding dues of creditors other than micro and small enterprises	558.02	1,385.27	978.63
	585.50	1,385.27	978.63
<u>Disclosures under Micro, Small and Medium Enterprises Development Act, 2006</u>			
a. Interest Payable on outstanding to Micro and Small enterprises (Included in A above)	0.07	-	-
b. Interest accrued and remaining unpaid at the end of each accounting year	0.07	-	-

20. Other financial liabilities

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Current Maturities of Long Term Debts	644.76	378.02	246.58
Current Maturities of Finance Lease Obligation	7.50	7.51	7.16
Interest accrued but not due on borrowings	1.82	0.74	2.29
Outstanding liability for payables	29.78	46.30	53.87
UPSKILL Development DDUGKY	0.38	0.92	246.48
Creditors for Capital Goods	117.03	83.85	417.59
Employees Security Deposit	6.63	6.01	5.67
Loss on Forward Contract	83.88	-	8.79
	891.78	523.35	988.41

21. Other current liabilities

(Rs. in Lakhs)

	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Revenue received in advance	276.82	105.45	61.08
T.D.S./T.C.S. Payable	12.74	10.89	10.36
Other Employee Benefit Payables	350.16	311.70	258.24
	639.72	428.03	329.69

22. Revenue from operations

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
Revenue from contracts with customers		
(a) Sale of product		
Finished goods	17,557.54	19,622.65
Traded good	862.60	555.97
(b) Sale of services		
Commission Received	160.47	90.23
Jobwork Charges	8.02	17.98
(c) Other Operating Revenues	508.61	380.84
Total	19,097.23	20,667.67

The invoicing schedules agreed with customers include periodic performance based payments and milestone based progress payments. Invoices are payable within contractually agreed credit period.

Revenue from operations

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
(i) List of Manufacturing Sales (Domestic) (Net of GST)		
Sale of HDPE/PP Tarpauline	1,002.92	1,258.06
Sale of HDPE/PP Bags	853.71	928.12
Sale of ULF/LF/BSLF/BSLF-II/BELT	386.88	97.68
Sale of HDPE/PP Bags (FIBC)	1,061.15	990.66

Sale of HDPE/PP Wastage	40.14	25.93
Sale of Vermi Beds	64.99	-
Sale of Liner/Film	89.35	62.87
Sale of Fabrilated Thread	19.90	14.13
Sale of Printing Ink	0.07	-
Sale of RP Granules	37.70	40.73
Sale o Rope	0.70	0.64
Sale of Filler Cord	1.12	-
Sale of Flexible Pouch	18.21	8.01
	3,576.83	3,426.84
Add : Freight on Local Sales/ Other Expenses	8.11	31.92
TOTAL	3,584.95	3,458.76

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
(ii) Manufacturing Sales (Export) (Net of GST)		
Fabric	196.92	336.67
F I B C Bags	12,210.15	14,326.70
Bags (Normal)	989.39	935.14
Tarpauline	49.74	-
Belt	0.07	33.28
Liner/Film	0.50	11.78
Filler Cord	0.81	-
	13,447.59	15,643.58
Add: Freight on Export Sales	242.50	237.71
Foreign Exchange Rate Differences	286.68	277.91
Other Charges on Sales	4.11	4.69
TOTAL	13,980.87	16,163.89

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
(iii) Trading Sales		
PP Granules	821.94	455.30
HD Granules	25.18	31.92
LD Granules	12.22	52.21
Master Batch	3.26	16.54
TOTAL	862.60	555.97

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
(iv) Sales Return Manufacturing		
Tarpauline	8.28	-
TOTAL	8.28	-
TOTAL SALES	18,420.14	20,178.61

23 Other Income

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
Interest income	155.68	84.39
Export Benefits	-	24.22
Other non operating income (net of expenses directly attributable to such income)	30.79	-
TOTAL	186.47	108.62
a. interest income comprises of		
(i) Interest income on financial assets that are measured at Amortised cost	35.65	33.70
(ii) Other interest	120.03	50.69
TOTAL	155.68	84.39

b. Other Non operating Income includes government grant in the nature of Industrial Department Subsidy Amounting Rs. 28.83 Lakhs.

24 Cost of material Consumed

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
Raw Material Consumed		
Opening Stock	581.50	697.16
Add: Purchases	10,206.48	11,657.48
	10,787.98	12,354.64
Less: Closing Stock	369.79	581.50
	10,418.18	11,773.15
TOTAL RAW MATERIAL CONSUMED	10,418.18	11,773.15

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
Purchases Of Raw Material		
PP Granules (All)	6,930.73	7,622.15
HDPE Granules (All)	197.69	309.09
LD Granules (All)	1,007.36	1,243.23
Master Batch (All)	874.60	974.48
BOPP Film/Tape	92.24	85.21
Purchase of Tarpauline	0.11	8.24
HDPE Bags	0.06	-
Wastage	1.31	0.57
RP Granules	2.78	0.72
Liner	20.29	3.08
Jute Rope	2.32	1.17
Fabric (All)	359.18	541.52
Crimpt yarn	156.62	163.75
PP Coated Bags	15.78	-

Fabrilated Thread	317.48	396.60
HDPE/PP Belt/Tie	0.48	0.86
Filler Cord	28.67	36.00
TOTAL	10,007.70	11,386.68
Add : Custom Duty/Freight on purchase	218.36	278.01
Add : Foreign Exchange Rate Difference	(19.58)	(7.21)
TOTAL	10,206.48	11,657.48

25 Purchase of Stock in Trade(Traded goods)

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
Trading Purchase	100.02	301.87
Master Batch	2.54	22.42
PP/HD/LD/LLD Granuels	730.56	186.78
TOTAL	833.13	511.07

26 Changes in Inventory of Finished Goods, Work in Progress and Stock In Trade :-

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
Inventories (at close)		
Work in Process	860.17	598.55
Finished Goods	1,537.53	581.20
Goods in Trade	0.05	0.05
Wastage	1.85	1.62
Inventories(at commencement)		
Work in Process	598.55	888.39
Finished Goods	581.20	317.83
Goods in Trade	0.05	0.23
Wastage	1.62	0.69
Net increase/decrease	1,218.18	(25.72)

27 Employee Benefit Expenses

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
Salaries And Wages	2,137.38	1,319.13
Salaries And Wages (Office)	51.51	45.00
Salaries And Wages (Director)	49.28	34.50
Security Services	6.14	17.62
Bonus	166.70	96.90
House Rent Allowance	201.23	261.73
Education Allowance	53.47	130.22

Education Allowance	53.47	130.22
Medical Allowance	47.96	46.27
Gratuity	15.20	25.67
E.S.I.C.	73.25	71.47
Staff Welfare	31.62	27.81
Leave Encashment	6.81	6.12
Provident Fund	147.66	64.15
Conveyance Allowance	56.48	131.96
Goodwork	12.21	-
Washing Allowance	87.88	58.18
Other Allowances	3.18	8.02
Attendance Bonus	62.51	36.83
Recruitment Expenses	0.31	0.40
Stipend to Trainee	0.99	1.24
House Rent (Rent of employees quarter)	0.04	0.34
TOTAL	3,211.82	2,383.55

a. Defined Contribution Plans :

"All eligible employees of the Company in India are entitled to receive benefits under the provident fund plan. The Company makes provident fund contribution, a defined contribution plan, for qualifying employees. It also contributes to employee state insurance corporation, which is also defined contribution plan. The Company recognised Rs. 146.37 lakhs (Previous Year : 62.85 lakhs) and Rs. 73.25 lakhs (Previous Year : Rs. 71.47 lakhs) respectively for PF and ESIC contribution in statement of profit and loss Provident fund and ESIC are managed through government administered funds."

b. Defined benefit obligations and plans

Details of defined benefit obligations and plan assets:(Rupees In Lakhs)a

	(Rs. in Lakhs)	
	For the year ended 19-20	For the year ended 18-19
Gratuity		
Change in defined benefit obligations:		
Obligation at the beginning of the year	101.60	58.21
Current service cost	2.01	24.70
Interest cost	5.74	4.66
Remeasurement (gain)/loss	4.15	23.06
Benefits paid	(4.73)	(9.03)
Obligation at the end of the year	108.77	101.60

	(Rs. in Lakhs)	
	For the year ended 19-20	For the year ended 18-19
Change in plan assets:		
Fair value of plan assets at the beginning of the year	32.03	25.81
Interest income	2.45	(3.55)
Employers' contribution	1.59	18.79
Benefits paid	(4.73)	(9.03)
Fair value of plan assets at the end of the year	31.34	32.03

	(Rs. in Lakhs)	
	For the year ended 19-20	For the year ended 18-19
Amounts recognised in the balance sheet consist of:		
Fair value of plan assets	31.34	32.03
Present value of obligations	(108.77)	(101.60)
	(77.43)	(69.58)
Funded plans in deficit are recognised as:		
Net Defined benefit obligations - Provisions - Non-current	(77.43)	(69.58)

	(Rs. in Lakhs)	
	For the year ended 19-20	For the year ended 18-19
Expense/(gain) recognised in the statement of profit and loss consists of:		
Employee benefits expense:		
Current service cost	2.01	24.70
Net interest expense	5.74	4.66
Other comprehensive income:		
Return on plan assets excluding amount included in employee benefits expense	2.45	-3.55
Actuarial (gain)/loss arising from changes in financial assumption	4.15	23.06
Expense/(gain) recognised in the statement of profit and loss	9.45	55.97

	For the year ended 19-20		For the year ended 18-19	
Key assumptions used in the measurement of gratuity is as below:				
Discount rate	7.00%		8.00%	
Rate of escalation in salary	7.00%		7.00%	

Description of Plans and risks

Defined benefit plans of the Company comprises Gratuity.

The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment.

The Company has opted the Employee Group Gratuity Scheme of the insurance service provider Life Insurance Corporation of India ("LIC"). Payments for Gratuity are funded through investments with Life Insurance Corporation of India.

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns in order to limit the cost to the Company of the benefits provided.

The company makes annual contribution to the Employee's Group Gratuity Cum Life Assurance Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The figures of present value of the defined benefit obligation and the related current service cost were as measured and provided to us by Life Insurance Corporation Of India.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2019-20.

Sensitivity Analysis

(Rs. in Lakhs)

	For the year ended 19-20
Effects of Key Assumptions on Defined Benefit Obligations	
1 % increase in Discount Rate/ Resulting decrease in Liability	60.62
1 % decrease in Discount Rate / Resulting increase in Liability	70.72
1 % increase in Salary Escalation Rate /Resulting increase in Liability	70.68
1 % decrease in Salary Escalation Rate / Resulting decrease in Liability	60.62

c. Compensated Absences

As regards compensated absences, the Company has policy for encashment of leaves (which is compulsorily paid within one year from the end of the financial year) standing to the credit of the employees on cash basis.

28 Finance Cost

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
Interest to Bank	223.49	273.10
Interest on Term Loan	112.14	97.92
Interest on Leased Liabilities (IND AS)	8.77	8.59
Interest on Buyer's Credit	12.72	6.27
Interest on unsecured loan	12.52	12.77
Interest to Others	19.38	11.04
Bank Charges	39.88	147.72
TOTAL	428.90	557.40
Finance Cost comprises of		
a. Interest expenses on financial liabilities that are measured at amortised cost	360.86	390.06
b. Interest on Lease liabilities	8.77	8.59
c. other finance costs	59.27	158.75
TOTAL	428.90	557.40
Bank Charges includes		
a. Remeasurement Loss	-	44.05
b. Settlement Loss	-	3.22
TOTAL	-	47.27

29 Other Expense

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
(a)Manufacturing expenses		
Weaving Charges	29.31	156.65
Lamination Charges	0.21	0.09
Power & Fuel	728.54	684.90
Bags Making Charges	767.96	927.51
Tarpaulin Making Charges	1.75	7.29
Repairs & Maintainance		
Plant & Machinery	257.06	304.33

(b) Selling and Distribution Expense		
Advertisement & Publicity	1.87	-
Freight Expenses	743.06	684.51
Packing & Forwarding Expenses	118.61	103.99
Sales Promotion & Entertainment	23.76	12.19
Commission	43.68	18.17
Loss Allowances	13.77	2.63
Travelling by Directors	26.76	3.27
Travelling by Others	22.26	45.63
(c) Administration & Other Expenses		
Conveyance Expenses	57.88	19.42
Cleaning services	29.03	17.12
Director's Sitting Fees	0.58	0.70
Advance License Fees	4.90	8.52
State Taxes	1.19	(2.60)
Factory Licence Expenses	1.30	1.50
GST Paid / Service tax / Excise Expenses	4.53	2.59
Insurance Expenses	73.94	47.64
Internet Expenses	3.30	4.19
Legal & Professional Charges	77.55	83.11
Loss/ (Profit) on sale of vehicle	(8.30)	(2.09)
Loss/ (Profit) on sale of Plant and Machinery	(4.74)	(2.14)
Membership Fees & Subscription	4.56	0.64
Miscellaneous Expenses	70.83	58.42
Prepaid Expense on EMD	1.17	0.88
Newspaper & Periodicals	0.10	0.11
Postage & Courier	22.15	21.89
Repairs of Computer	6.30	4.51
Repairs (Others)	11.33	12.58
Rebate, Shortage & Rate Diff.	9.87	(20.91)
Rent, Rates & Taxes	29.43	20.03
Stationary & Printing	14.62	15.22
Telephone & Communication Expenses	8.45	4.60
Vehicle Running & Maintainance	10.96	12.47
Foreign Exchange Difference Loss/(Gain)	168.34	80.35
Water & Light Charges	73.34	61.67
Export Benefit Received (Loss)	2.49	-
Cross Charges	0.09	-
Other Donation	0.30	-
(d) Auditors Remuneration	1.75	1.75
(e) Corporate Social Responsibility	19.99	5.36
	3,475.82	3,408.66

The above schedule on 'other Expenses' includes the following nature of expenses -

a. Short Term Lease Payment recognised as an expense on straight line basis over the lease term :

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
	Short term leases	22.38

b. Amount of Foreign Exchange difference recognised in the P & L account, except those arising on financial instruments, are :

(Rs. in Lakhs)

	For the year ended 19-20	For the year ended 18-19
	Exchange difference	65.09

30 Contingent Liabilities

(Rs. in Lakhs)

	As at 31 March 2020	As at 31 March 2019
	Money for which the company is contingently liable	
(I) In respect of Income Tax/TDS	-	0.61
(II) In respect of Sales Tax	11.23	4.63

In respect of Sales Tax

Demands amounting to Rs. 11.23 lakhs (Previous Year 4.63 Lakhs) have been raised by the Indirect Tax Authorities which is contested by the company based on management evaluation and legal advice of tax consultants. Based on legal advice that these amounts would get deleted or substantially reduced, the Company has not recognised these as liabilities.

31. Counter Gurantees Issued

The banks have issued various guarantees to third parties on behalf of the Company. The Company issues a "counter guarantee" in favour of such banks in order to indemnify those banks. These amounts are not considered as contingent liabilities of the Company.

(Rs. in Lakhs)

	As at 31 March 2020	As at 31 March 2019
	Counter Guarantee issued by Company	658.77

32 Income Taxes

a. The income tax expense consists of the following

(Rs. in Lakhs)

	As at 31 March 2020	As at 31 March 2019
	Current Tax	
Current tax expense for current year	255.85	343.32
Current tax expense / (benefit) pertaining to prior years	(8.22)	0.53
Total current tax expenses	247.63	343.85
Deferred Tax		
Deferred tax expense for current year	53.73	22.35
Deferred tax benefit pertaining to prior years		
Total income tax expense recognised in current year	301.36	366.20

- b. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

	(Rs. in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Profit before tax	1,442.21	1,481.74
Indian statutory income tax rate	17.47%	29.12%
Expected income tax expense	251.95	431.48
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax holidays	-	(32.76)
Income exempt from tax	-	-
Tax on income at different rates	-	-
Tax pertaining to prior years	(8.22)	(0.53)
Others (net)	3.90	(54.34)
Total income tax expense	247.63	343.85

The Company has estimated that the Indian statutory income tax rate applicable to the Company would be 17.47% under sec 115JB for year ended 31st March 2020.

33. Segment information

The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM'):

- a. Manufacturing segment - Business of manufacture and sale of FIBC, Jumbo bags, Poly Tarpaulin, Woven Sacks / Bags, Box Bags, PP / HDPE Fabric, Liner and Flexible Packaging which mainly have same risks and returns.

- b. Trading segment - Trading of Granule (Del credere agent cum Consignment Stockiest)

Power generated from solar power is captively consumed. The solar power generation segment is integral part of manufacturing segment'.

The above business segments have been identified considering :

- the nature of products and services
- the differing risks and returns
- the internal organisation and management structure, and
- the internal financial reporting systems.

The Company's Chief operating Decision maker is Managing Director and Chief Executive Officer.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES FOR THE YEAR ENDED ON 31ST MARCH, 2020

Particulars	(Rs. in Lakhs)		
	Manufacturing Segment	Trading Segment	Consolidated Total
	Current Year Ended on 31-3-2020	Current Year Ended on 31-3-2020	Current Year Ended on 31-3-2020
"Revenue"			
Revenue from External Customers	18,325.60	263.03	18,588.62
Other Operating Revenue	508.61	-	508.61
Interest revenue	21.34	134.34	155.68
Other Income	30.75	0.04	30.79
Total Segment Revenue	18,886.29	397.41	19,283.70
Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)			
Results	2,308.68	252.54	2,561.22
Less: Finance Cost	(360.35)	(68.55)	(428.90)
Less: Depreciation	(689.79)	(0.33)	(690.11)
Profit Before Tax	1,258.55	183.66	1,442.21
Less : Current Tax	-	-	(247.63)
Less : Deferred Tax	-	-	(53.73)
Profit After Tax	-	-	1,140.85
Segment Assets			
(a) Property, Plant & Equipments	5,803.01	0.33	5,803.34
(a) Capital Work In Progress	1,383.69	-	1,383.69
(a) Other Assets	5,650.07	1,099.83	6,749.90
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	62.03
- Deffered Tax Assets	-	-	-
Total	12,836.78	1,100.15	13,998.96
Segment Liabilities			
(a) Borrowings	3,835.61	715.41	4,551.03
(b) Other Liabilities	2,093.15	101.27	2,194.42
(c) Unallocated	-	-	-
-Current Tax Liabilities	-	-	-
-Deferred Tax Liabilities	-	-	362.43
Total	5,928.76	816.68	7,107.88
Equity Share Capital	-	-	1,181.74
Other Equity	-	-	5,709.34
Total Equity & Liability	-	-	13,998.96

SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES FOR THE YEAR ENDED ON 31ST MARCH, 2019

Particulars	(Rs. in Lakhs)		
	Manufacturing Segment	Trading Segment	Consolidated Total
	Current Year Ended on 31-03-2019	Current Year Ended on 31-03-2019	Current Year Ended on 31-03-2019
"Revenue"			
Revenue from External Customers	20,142.52	144.31	20,286.83
Other Operating Revenue	380.84	-	380.84
Interest revenue	21.00	63.39	84.39
Other Income	24.22	-	24.22
Total Segment Revenue	20,568.58	207.70	20,776.28
Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)			
Results	2,556.84	117.29	2,674.13
Less: Finance Cost	518.58	38.82	557.40
Less: Depreciation	615.15	0.33	615.48
Profit Before Tax	1,423.11	78.14	1,501.25
Less : Current Tax	-	-	343.85
Less : Deferred Tax	-	-	22.35
Profit After Tax			1,135.05
Segment Assets			
(a) Property, Plant & Equipments	5,944.62	0.65	5,945.27
(a) Capital Work In Progress	174.36		174.36
(a) Other Assets	6,623.12	918.68	7,541.80
(c) Unallocated			5.15
- Current Tax Assets			
- Deffered Tax Assets			
Total	12,742.10	919.33	13,666.58
Segment Liabilities			
(a) Borrowings	4,527.15	487.17	5,014.32
(b) Other Liabilities	2,333.22	73.01	2,406.23
(c) Unallocated			73.13
-Current Tax Liabilites			308.71
-Deferred Tax Liabilites			
Total	6,860.37	560.18	7,802.39
Equity Share Capital			1,181.74
Other Equity			4,682.46
Total Equity & Liability			

Details of revenue based on geographical location of customers is as below:

	(Rs. in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
India	5,116.36	4,503.77
Outside India	13,980.87	16,163.89

Information about major customers

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2020 and March 31, 2019.

34 Related Party Disclosures :-

a. Transactions with related parties are as follows :-

Name of Party	(Rs. in Lakhs)			
	Amount 31-03-2020	Outstanding balances (Including Commitments) as on 31-03-2020	Amount 31-03-2019	Outstanding balances (Including Commitments) as on 31-03-2019
Key Managerial Person - Remuneration				
Shri Anil Choudhary	36.00	3.25	24.00	2.25
Smt Ranjana Choudhary	12.00	1.00	10.50	1.00
Shri Virendra Singh Pamecha	11.65	1.00	10.69	0.90
Shri Hitesh Mehta	0.32	0.12	0.38	0.22
Shri Chintan Pushpraj Singhvi	0.04	0.02	0.12	0.06
Shri Milind Mahajan	0.22	0.08	0.20	0.08
Shri Ravindra Choudhary	25.50	2.25	15.00	1.50
Shri Abhishek Jain	10.35	0.85	10.42	0.85
CS Megha Parmar	-	-	1.70	-
CS Anamika Gupta	3.32	0.32	1.39	0.27
Shri Ravindra Choudhary (Rent)	4.80	2.93	3.08	0.37
Key Managerial Person -Unsecured loan taken by Company				
Shri Anil Choudhary	-	25.92	-	25.92
Smt Ranjana Choudhary	-	8.94	-	8.11
Relatives of Key Managerial Person - Remuneration				
Shri Pramal Choudhary	30.00	2.75	18.00	2.00
Smt Parul Choudhary	6.00	0.50	6.00	0.50
Smt Shruti Choudhary	6.00	0.50	6.00	0.50
Enterprises over which KMP personnels or their relatives				
Smt Vidhya Choudhary (Suprabhu) - Rent	8.90	0.74	9.26	0.71
Choudhary Highway Services - (Purchase)	29.14	1.11	27.27	18.24
Page Paper Mart (Prop Shri Pramod Jain) - (Purchase)	1.13	-	1.33	0.27
Pooranmal Laxminarayan - (Purchase)	68.78	8.40	18.29	6.00
Mohra Seeds (Sales)	13.61	3.59	18.68	9.80
Pooranmal Laxminarayan (Sales)	8.17	1.46	0.40	0.40
M/s Gangotri Enterprises - (Sales)	-	2.41	-	2.41
Investing party in respect of which the Reporting Enterprise is an Associate				
Super Sack Private Limited - (Interest)	-	-	4.34	-

Remuneration paid to Key Managerial Person

The above figures do not include provisions for gratuity as separate actuarial valuation are not available and the cost to develop it would be excessive.

"The contributions to defined contribution plans for key management personnel in respect of Provident fund is Rs. 1.30 Lakhs (Previous Year : Rs. 1.23 Lakhs)"

35 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs. 21.06 Lakhs (Previous Year Rs. 16.47 Lakhs).

The company is having unspent amount of Rs. 53.11 Lakhs upto Previous Year 2018-2019.

(b) Expenditure related to Corporate Social Responsibility is Rs. 19.99 Lakhs (Previous Year Rs. 5.36 Lakhs)

Details of Amount spent towards CSR given below:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
Promotion of Education	0.81	0.65
Animal Welfare	5.74	0.27
Environmental Sustainability	-	0.23
Fund set up by Central Government	0.16	1.05
Eradicating Hunger and Malnutrition	-	0.02
Reduction of inequalities by socially and economically backward groups and upliftment of deprived under privileged	12.97	2.83
Setting up and running of Orphanage Homes	-	0.31
Gender Equality, Empowerment of Women	0.31	-
Total Amount	19.99	5.36

36 Research & Development

The company conducts its R&D initiatives within the broad framework of innovation initiatives.

The company purchased technologically upgraded Circular Loom, Stitching Machine, Ultrasonic Cutting and Sealing Machine, for its units.

37 Financial Instruments

Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2020 is as follows:

(Rs. in Lakhs)

Particulars	Note No.	Fair value through profit or loss	Derivative instruments in hedging relationship	Amortised cost	Total carrying value
Financial Assets					
Trade Receivables	7	-	-	1,843.06	1,843.06
Cash and cash equivalents	8	-	-	35.74	35.74
Bank Balances	9	-	-	413.06	413.06
Loan	10	-	-	9.79	9.79
Other Financial Assets (Current)	11	-	-	1.03	1.03
Other Financial Assets (Non Current)	4	28.03	-	290.38	318.41
Total		28.03	-	2,593.04	2,621.07
Financial Liabilities					
Borrowings (Current)	18	-	-	1,788.14	1,788.14
Borrowings (Non Current)	15	-	-	2,762.88	2,762.88
Trade Payables	19	-	-	585.49	585.49
other Financial Liabilities	20	-	83.88	807.90	891.78
Total	-	-	83.88	5,944.42	6,028.30

Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2019 is as follows:

(Rs. in Lakhs)

Particulars	Note No.	Fair value through profit or loss	Derivative instruments in hedging relationship	Amortised cost	Total carrying value
Financial Assets					
Trade Recievables	7	-	-	3,591.51	3,591.51
Cash and cash equivalents	8	-	-	39.81	39.81
Bank Balances	9	-	-	297.15	297.15
Loans	10	-	-	5.46	5.46
Other Financial Assets	11	-	19.37	-	19.37
Other Financial Assets (Non Current)	4	24.82	-	288.18	313.00
Total		24.82	19.37	4,222.11	4,266.29
Financial Liabilites					
Borrowings	18	-	-	2,900.12	2,900.12
Borrowings (Non Current)	15	-	-	2,114.20	2,114.20
Trade Payables	19	-	-	1,385.27	1,385.27
other Financial Liabilites	20	-	-	523.35	523.35
Total		-	-	6,922.94	6,922.94

Carrying amounts of trade receivables, cash and cash equivalents, bank balances, and trade payables as at March 31, 2020 and 2019, approximate the fair value.

Difference between carrying amount and fair value of Loans, Other financial assets, borrowings and other financial liabilites subsequently measured at amortised cost is not significant. Fair value measurement of lease liabilites is not required.

(Rs. in Lakhs)

A. Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
Carrying amount of Financial assets pledged as collateral for liabilites	7	1839.06	3585.10
Carrying amount of Financial assets pledged as collateral for contingent liabilites	9	413.06	297.15
		2252.11	3882.25

Terms and conditions relating to pledge

Trade Receiables & Other Financial Assets: All existing/ future Trade Receivables & Other Financial Assets have been hypothicated to secure working capital loan.

"Fixed Deposit have been pledged to secure the Bank Guarantee issued on our behalf."

(Rs. in Lakhs)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
Net gains or net losses on financial assets measeured as FVTPL upon initial recognition	23	1.37	1.07
financial assets measured at amortised cost	29	12.86	7.36
financial liabilites measeured as FVTPL upon initial recognition		0	0
financial liabilites measured at amortised cost	28	0	47.27

(Rs. in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
An analysis of gain / loss recognised in statement of profit and loss, arising from the derocgnition of financial assets measured at amortised cost	12.86	7.36
These Financial Assets are considered by Management as irrecoverable and have been derecognised.		

B Financial Risk Management

"The Company is exposed primarily to market risks being fluctuations in foreign currency exchange rates and interest rate, and other risks namely credit and liquidity risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with financial assets and liabilities. The focus is to assess the unpredictability of the financial environment and to mitigate the potential adverse effects on the financial performance of the Company."

Management of Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

The Company as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the functional currency of the Company.

Foreign Currency Risk

The following table shows foreign currency exposures in US Dollar, Euro and Great Britain Pound on financial instruments at the end of the reporting period.

Foreign Currency Exposure

(Rs. in Lakhs)

	As at 31 March 2020			As at 31 March 2019		
	USD	EUR	GBP	USD	EUR	GBP
Borrowings	-	1,279.32	-	-	736.71	-
Trade and other receivables	483.27	77.67	15.20	1,418.71	614.02	824.29

Foreign Currency Sensitivity

(Rs. in Lakhs)

	As at 31 March 2020			As at 31 March 2019		
	USD	EUR	GBP	USD	EUR	GBP
1% Depreciation in INR						
Impact on Equity / P&L Gain (Loss)	4.83	(13.50)	0.15	14.19	(13.47)	8.24
Total						
1% Appreciation in INR						
Impact on Equity / P&L Gain (Loss)	(4.83)	13.50	(0.15)	(14.19)	13.47	(8.24)
Total						

Interest Rate Risk

The Company is also exposed to interest rate risk, changes in interest rates will affect future cash flows or the fair values of its financial instruments, principally debt. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities.

The company manages the interest rate risk by exploring and analysing opportunities in the market for obtaining finance at lower rates and at more suitable terms.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Interest Rate Exposure

(Rs. in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Borrowings		
Non-Current – Floating (includes Current Maturities)	3407.64	2492.22
Current	1788.14	2900.12
Total	5195.79	5392.34

Sensitivity analysis of 0.75% change in Interest rate:

Interest Rate Sensitivity

(Rs. in Lakhs)

	As at 31 March 2020		As at 31 March 2019	
	Up Move (Losses)	Down Move (Gains)	Up Move (Losses)	Down Move (Gains)
Impact on Equity / P&L	23.58	23.58	28.25	28.25
Total Impact	23.58	23.58	28.25	28.25

Management of Credit Risk

Credit risk is the risk that a customer or counter party to a financial instrument fails to perform or pay the amount according to the contractual terms or obligations causing financial loss to the Company

Credit risk encompasses of risk of default, risk of deterioration of creditworthiness as well as concentration of risks.

credit risk is controlled by analysing credit limits and creditworthiness of customers of a continuous basis to whom the credit has been granted

Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk is Rs 2585.34 Lakhs (Rs 4226.48 Lakhs in preceding year) being the total of carrying amount of trade receivables, balance with banks, bank deposits and other financial assets.

Trade Receivables

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

Other Financial Assets

The Company maintains exposure in bank balances and term deposits with banks. Considering insignificant amounts and short term nature, there is no significant risks pertaining to these assets.

Management of Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date.

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed and uncommitted borrowing/ facilities

The Company has maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2020 and 31st March, 2019. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

Maturity analysis for financial liabilities for the year ended 31/03/2020							(Nos. in Lakhs)
	Note No.	Carrying Value	Contractual Cash Flows	Less than one year	Between one to five year	More than 5 years	
(a) A Maturity analysis for non-derivative financial liabilities							
Trade Payables	19	585.49	-	585.49	-	-	
Borrowings (Non- Current Liabilities)	15	2,666.24	-	568.80	1,818.52	415.51	
Other Financial Liabilities	21	589.67	-	589.67	-	-	
Lease Obligations	15	96.64	-	7.51	30.02	110.86	

Maturity analysis for financial liabilities for the year ended 31/03/2019						
(a) a maturity analysis for non-derivative financial liabilities	19	1,385.27	-	1,385.27	-	-
Trade Payables						
Borrowings (Non- Current Liabilities)	15	1,989.78	-	601.58	2,047.95	754.88
Other Financial Liabilities	21	449.53	-	449.53	-	-
Lease obligations	15	94.42	-	7.51	30.02	118.02

Fair value measurement hierarchy

Fair value measurement hierarchy as at 31st March 2020

The following table summarises financial assets and liabilities measured at fair value

Particulars	Note No.	Carrying Amount	Level of imputs used				(Rs. in Lakhs)
			Level 1	Level 2	Level 3	Total	
Financial Assets							
At Amortised Cost							
Trade Receivables	7	1,843.06	-	-	-	1,843.06	
Cash and Cash Equivalents	8	35.74	-	-	-	35.74	
Bank Balances	9	413.06	-	-	-	413.06	
Loans	10	9.79	-	-	-	9.79	
Other financial assets	11	1.03	-	-	-	1.03	
Others Financial Assets (Non Current Portion)	4	290.38	-	-	-	290.38	
At FVTPL							
Earnest Money Deposit	4	-	-	-	24.21	24.21	
Lease Security Deposit	4	-	-	-	3.82	3.82	
Total		2,593.04	-	-	28.03	2,621.07	
Financial Liabilities							
At Amortised Cost							
Borrowings (Non- Current Liabilities)	15	2,762.88	-	-	-	2,762.88	
Borrowings	18	1,788.14	-	-	-	1,788.14	
Trade Payables	19	585.49	-	-	-	585.49	
Other Financial Liabilities	20	807.90	-	-	-	807.90	
Forward Contract	20	83.88	-	-	-	83.88	
Total		6,028.30	-	-	-	6,028.30	

Fair value measurement hierarchy as at 31st March 2019

The following table summarises financial assets and liabilities measured at fair value

Particulars	Note No.	Carrying Amount	Level of imputs used				(Rs. in Lakhs)
			Level 1	Level 2	Level 3	Total	
Financial Assets							
At Amortised Cost							
Trade Receivables	7	3,591.51	-	-	-	3,591.51	
Cash and Cash Equivalents	8	39.81	-	-	-	39.81	
Bank Balances	9	297.15	-	-	-	297.15	
Loans	10	5.46	-	-	-	5.46	
Other financial assets	11	19.37	-	-	-	19.37	
Others Financial Assets (Non Current Portion)	4	288.18	-	-	-	288.18	
At FVTPL							
Earnest Money Deposit	4	-	-	-	21.20	21.20	
Lease Security Deposit	4	-	-	-	3.62	3.62	
Total		4,241.47	-	-	24.82	4,266.29	
Financial Liabilities							
At Amortised Cost							
Borrowings (Non- Current Liabilities)	15	2,114.20	-	-	-	2,114.20	
Borrowings	18	2,900.12	-	-	-	2,900.12	
Trade Payables	19	1,385.27	-	-	-	1,385.27	
Other Financial Liabilities	20	523.35	-	-	-	523.35	
Total		6,922.94	-	-	-	6,922.94	

Reconciliation of fair value measurement of the investment categorised at level 3:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2020	As at 31 March 2019
	At FVTPL	At FVTPL
Opening Balance	24.82	22.98
Addition during the year	5.39	17.81
Sale/Reduction during the year	3.55	17.04
Total Gain/(loss)	1.37	1.07
Closing Balance	28.03	24.82

Derivative financial instruments and hedging activity

The company's revenue is denominated in various foreign currencies. Given the nature the business, a large portion of costs are denominated in Indian Rupees. This exposes the company to currency fluctuations.

The company uses various derivative instruments such as foreign exchange forward in which the counter party is generally the bank.

The following are outstanding foreign currency forward contracts, which have been designated as fair flow hedges -

Hedging Instruments

A. Fair Value hedge

Hedging Instruments

Particulars	Note No.	No. of Contacts	Nominal amount of contracts	Carrying Amount Assets	Carrying Amount Liabilities	Hedge Maturity
As at 31 March, 2020				(Rupees in Lakhs)		
Foreign currency risk						
<u>Foreign currency - Forwards</u>						
US Dollar		32	1,605,000	-	49.28	Sep-20
Euro		20	1,035,461	-	33.88	Jul-20
Great Britain Pound		9	259,450	-	0.72	Sep-20
As at 31st March 2019				(Rupees in Lakhs)		
Foreign currency risk						
<u>Foreign currency - Forwards</u>						
US Dollar		11	508,751	7.60	-	Jul-19
Euro		5	95,533	1.70	-	Jul-19
Great Britain Pound		12	361,375	10.07	-	May-20

Line Item in balance sheet -

Line Item in balance sheet - Shown under Other Financial Liabilities (Current Liabilities) in FY 2019-20

Line Item in balance sheet - Shown under Other Financial Assets (Current Assets) in FY 2018-19

Hedged Item

A. Fair Value hedge

Hedged Item

Particulars	Note No.	Firm Commitment and Carrying Amount of Assets	Carrying Amount Liabilities	Hedge Maturity
As at 31st March 2020				
Items	7			
Trade Receivables and firm commitments				
US Dollar		1,605,000	-	Sep-20
Euro		1,035,461	-	Jul-20
Great Britain Pound		259,450	-	Sep-20
As at 31st March 2019				
Items				
Trade Receivables and firm commitments				
US Dollar		2,051,003	-	Jul-19
Euro		790,221	-	Jul-19
Great Britain Pound		911,064	-	May-19

In respect of some financial assets the Company does not recognise a gain or loss on initial recognition of a financial asset or financial liability because the fair value is neither evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) nor based on a valuation technique that uses only data from observable markets.

The Company has so concluded because these financial assets are interest free deposits made by Company

(Rs. in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
aggregate difference yet to be recognised in profit or loss at the beginning	11.91	12.23
reconciliation of changes	0.32	0.32
at the end of the period	11.59	11.91

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2020

(Rs. in Lakhs)

	Note No.	balance at the beginning of the year	change during the year	Bad debts written off	Balance at the end of the year
the loss allowance measured at an amount equal to lifetime expected credit losses for trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15	7 & 29	5.61	26.63	12.86	19.38
Total		5.61	26.63	12.86	19.38

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2019 para 107.35H

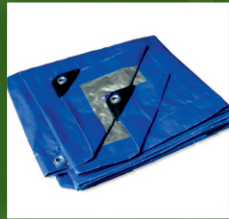
(Rs. in Lakhs)

	Note No.	balance at the beginning of the year	change during the year	Bad debts written off	Balance at the end of the year
the loss allowance measured at an amount equal to lifetime expected credit losses for trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15	7 & 29	2.98	9.99	7.36	5.61
Total		2.98	9.99	7.36	5.61

NEW PRODUCT DEVELOPMENT



EXISTING PRODUCTS :





IS 15351



CM/L-8200007799
(GEO MEMBRANE)

IS 7903



CM/L-3289570
(HDPE TARPAULIN)

IS 15351:2015



(GEO MEMBRANE)

IS 7903:2017



(HDPE TARPAULIN)

IS 15907:2010



(VERMI BED)

IS 16190:2014



(HDPE PIPE)

Mission

"To be a customer focused, globally competitive company in polypropylene woven products and in other chosen areas of plastic industry, through quality, technology and innovation"

"Weaving Excellence"

COMSYN
COMMERCIAL SYN BAGS LIMITED

"Weaving strength thread by thread for better world"

Commercial Syn Bags Limited

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