



Date: September 03, 2020

To,
Department of Corporate Service
BSE Limited
P. J. Tower, Dalal Street,
Fort,
Mumbai-400 001

Dear Sir / Madam,

BSE SCRIP CODE: 509835

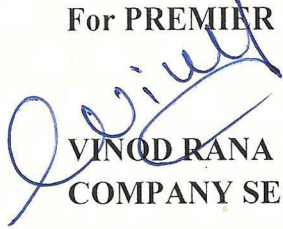
Sub: Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Submission of Annual Report for the F. Y. 2019-20

With reference to the captioned subject and Regulation 34. (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2019-20.

Please take note of the same.

Thanking you,
Yours truly,

For PREMIER SYNTHETICS LIMITED


VINOD RANA
COMPANY SECRETARY



Regd. Off. : Surana House, B/h. Klassic Chambers, Swastik X Road, Opp. Narnarayan Complex, Navrangpura, Ahmedabad-380009, Gujarat.

Phone / Fax : 079-26430946, 079-26431558 **E-mail** : premiersynthetics@gmail.com **Website** : www.premiersyntheticsltd.com

Factory Add. : Plot No. 835-837, Nr. Rakanpur Chowkadi, Rakanpur, Tal. Kalol. Dist. : Gandhinagar - 382721, Gujarat.

Phone / Fax : 02764-286761

E-mail : premiersynthetics18@gmail.com

50th
ANNUAL REPORT
2019-20

PREMIER SYNTHETICS LIMITED

CORPORATE INFORMATION

Board of Directors

Mr. Gautamchand Kewalchand Surana	Managing Director
Mr. Sanjaykumar Vinodbhai Majethia	Director
Mr. Sunny Sunil Singhi	Non – Executive Director
Mr. Sachin Kanwarlal Kansal	Independent Director
Mr. Jayesh Rajmal Jain	Independent Director
Ms. Anusha Maheshwary	Independent Director

Company Secretary

Mr. Vinod Rana

Chief Financial Officer

Mr. Kartik Jain

Statutory Auditor:

Loonia & Associates

Chartered Accountant
218, Ground Floor, New Cloth Market,
Near Raipur Gate,
Ahmedabad – 380002

Secretarial Auditor:

K. Jatin & Co.

Practicing Company Secretary
307, Abhijot Square,
B/H. Divya Bhaskar Press,
S. G. Highway,
Ahmedabad - 380051

Bankers:

Indian Overseas Bank Limited
YES Bank Limited
ICICI Bank Limited

Plant / Factory:

Plot No. 835 - 837,
Near Rakanpur chowkdi,
Rakanpur, Ta. Kalol,
Dist. Gandhinagar - 382721

Registered Office:

Surana House, B/h. Klassic Chambers,
Swastik X Road, Opp. Narnarayan Complex,
Navrangpura, Ahmedabad - 380009
Tel No. 079-26431558, Fax No. 079-26430946

Registrar & Transfer Agent:

Skyline Financial Services Private Limited
D-153-A, 1st Floor, Okhla Industrial Area,
Phase – 1, New Delhi – 110020
Tel. No. 011-40450193-97

Email: premiersynthetics@gmail.com

Email: admin@skylinerta.com

Website: www.premiersyntheticsltd.com

Website: www.skylinerta.com

CIN: L99999GJ1970PLC100829

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NOTICE

NOTICE is hereby given that the **50TH ANNUAL GENERAL MEETING** of the Company will be held on **Wednesday, 30th September, 2020, at 03:00 P.M. through Video Conferencing (“VC”)/ Other Audio Visual Means (OAVM)**, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Non-convertible Non-Cumulative Redeemable Preference Shares for the financial year ended 31st March, 2020.
3. To appoint a Director in place of Mr. Gautamchand Kewalchand Surana (DIN: 00955362), who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of Directors
For, Premier Synthetics Limited

Place: Ahmedabad
Date: 10th August, 2020

Vinod Rana
Company Secretary

NOTES:

1. In view of continuing Covid-19 pandemic, the Ministry of Corporate Affairs has come up with General Circular No. 20/2020 dated 05th May, 2020 that allow companies to hold Annual General Meeting (AGM) in the manner detailed in General Circular No. 14/2020, dated 08th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 through Video Conferencing (VC) and Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars issued by the Regulators, the AGM of the Company is being held through VC/OAVM.
2. Members as on the Record Date of 21st September, 2020 shall only be entitled for availing the remote E-voting facility and E-voting facility during the AGM. A person who is not a Member on the Record date should accordingly treat this Notice for information purposes only and attend the AGM through VC/OAVM and shall not be entitled to any voting rights.

3. Since the AGM is held through VC/OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members will not be available for this meeting and hence requirement of attaching the Proxy Form and Attendance Slip has been dispensed herewith and not annexed to this Notice.
4. Corporate Members intending to send their authorized representative(s) to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a Certified True Copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf to the scrutinizer by email to cskjco@gmail.com. The authorized representative(s) shall enjoy all the rights of a Member for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC /OAVM.
5. A person can be an authorized representative of more than one Body Corporate. In such a case, he is treated as more than one Member present in person for the purpose of the quorum.
6. In Compliance with MCA Circulars dated 8th April 2020, 13th April 2020 and 05th May 2020 and SEBI Circular dated 12th May, 2020, Members may kindly note that sending of Physical Copies of Annual Report to Members have been dispensed with and is being sent through electronic mode to those members whose e-mail addresses are registered with the Company or Depositories. Members may also note that the Notice of the 50th AGM and the Annual Report will be available on the Company's website www.premiersyntheticsltd.com and can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and disseminated on the website of CDSL at www.evotingindia.com.
7. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 50th AGM and the Annual Report for the year ended 31st March, 2020 including therein the Audited Financial Statements for the Financial Year 2019- 20, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 50th AGM and the Annual Report for the Financial Year 2019-20 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
 - a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company email id premiersynthetics@gmail.com
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

8. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, etc to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the records of the Registrars and Transfer Agents which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the Members.
10. In accordance with the amendments to Regulation 40 of the Listing Regulations, Securities and Exchange Board of India (SEBI), decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited or Central Depository Services (India) Limited). Members holding shares in Physical Form are requested to consider converting their holding to dematerialized form in order to eliminate all risks associated with physical shares. Members can contact the Registrar and Share Transfer Agent (RTA) in this regard. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in Physical Form can submit their PAN details to the Company.
12. Additional Information required to be furnished under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards-2 with respect of the Director(s)/Manager seeking appointment/re-appointment at the AGM has been furnished and forms a part of the notice. The director(s)/manager has furnished the requisite consents/declarations for their appointment/re-appointment.
13. The facility for joining the meeting shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 5 minutes after such scheduled time.
14. We will be publishing a Public Notice by way of advertisement in Financial Express Newspaper (English edition and Gujarati edition) with the suitable details of the ensuing Annual General Meeting.
15. The Company has engaged the service of Central Depository Services (India) Limited, for assisting the Members for casting of votes by remote e-voting as well as the e-voting system on the date of the AGM and VC facility shall also be provided by CDSL.
16. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

17. Since the AGM is held through VC/OAVM, the Route Map is not annexed in this Notice.
18. The facility of participation at the AGM through VC/OAVM will be made available to maximum 1000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
19. M/s. K. Jatin & Co., Company Secretaries, Ahmedabad (COP: 12043), has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
20. During the 50th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 50th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 50th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 50th AGM.
21. The Scrutinizer shall after the conclusion of e-Voting at the 50th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 50th AGM, who shall then countersign and declare the result of the voting forthwith.
22. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.premiersyntheticsltd.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- 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:**

Members whose email addresses are not registered with the depositories can register the same for obtaining login credentials for e-voting for the resolutions proposed in this Notice in the following manner:

- a) **For Physical Shareholders**-Please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company email ID:premiersynthetics@gmail.com
- b) **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 the Company email ID: premiersynthetics@gmail.com.

- c) It is clarified that for permanent registration of email address, the Members are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants.
- d) The Company / RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

24. Instructions for attending the AGM through VC/OAVM and E-Voting during the AGM are as under:

- a. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members 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.
- b. Members are encouraged to join the Meeting through Laptops / I-Pads for better experience.
- c. Further, Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d. 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.
- e. Members 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 5 (five) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at Company mail ID premiersynthetics@gmail.com. The Members who do not wish to speak during the AGM but have queries may send their queries in advance at least 5 (Five) days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at Company mail ID premiersynthetics@gmail.com. These queries will be replied to by the company suitably by email.
- f. Those Members who have registered themselves as speakers will only be allowed to express their views/ask questions during the meeting.
- g. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned separately for Remote e-voting.
- h. Only those Members, 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.
- i. If any votes are cast by the Members through the e-voting available during the AGM and if

the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e- voting during the meeting is available only to the Members attending the meeting.

- j. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

25. Instructions for remote e-voting are as under:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), The Premier Synthetics Limited (“the Company”) is pleased to offer e-voting facilities to the Members to cast their votes electronically on all the resolutions set forth in the Notice convening the 50th Annual General Meeting (“AGM”) scheduled to be held on Wednesday, September 30th, 2020 at 03.00 P.M. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide e-voting facility. The e-voting facility is available at the link www.evotingindia.com

- (i) The voting period begins at 09.00 a.m. IST on 27th September, 2020 and ends at 05.00 p.m. IST on 29th September, 2020. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Record date 21st September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) The Members should log on to the e-voting website www.evotingindia.com.
- (iv) Click on “Shareholders/Members” module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits ClientID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

[OR]

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and click on Login.
- a. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Shareholders/Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by RTA or contact info@skylinerta.com
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> 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).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant “**PREMIER SYNTHETICS 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 which 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 and enter the details as prompted by the system.
- (xviii) Members 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 Remote Voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- 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.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- 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.
- 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.
- 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.
- Alternatively Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who is authorized to vote, to the Scrutinizer and to the Company at the email address i.e. premiersynthetics@gmail.com, if they have voted from individual tab and not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.

- If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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
- 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 on 022-23058542/43.

By order of the Board of Directors
For, **Premier Synthetics Limited**

Place: Ahmedabad
Date: 10th August, 2020

Vinod Rana
Company Secretary

ANNEXURE TO ITEM NO. 3 OF THE NOTICE

**Details of Director seeking re-appointment at the 50th Annual General Meeting
[In pursuance of Regulation 36(3) of SEBI (Listing obligation and Disclosure Requirements)
Regulations, 2015 (“SEBI Listing Regulations”)]**

Name of the Director	Gautamchand Kewalchand Surana
DIN	00955362
Date of Birth	12/02/1952
Nationality	Indian
Date of first appointment in the current designation	28/09/2016
Qualification	Chartered Accountant (C.A.) & Bachelor of Commerce (B.COM.)
Experience	Around 43 year in the field of Audit, Accountants and financial consultancy in Income Tax, Company Laws and Financial Agreements.
Shareholding in the Company: Number of Equity Shares Number of Non-convertible Non-Cumulative Redeemable Preference Shares	10,59,870 9,49,310
Terms and conditions of appointment or re-appointment along with details of remuneration	-
Remuneration last drawn	NIL
No. of Meeting of the Board attended during the year	5 of 5
Directorships* of other Companies (Excluding Premier Synthetics Limited)	<ul style="list-style-type: none"> • Vijay Stationeries Private Limited • Sun Insulators Private Limited
Membership/Chairmanship of Committee of other Companies (Excluding Premier Synthetics Limited)	NIL
Inter-se relationships between: <ul style="list-style-type: none"> • Directors • Key Managerial Personnel 	<ul style="list-style-type: none"> Not Applicable Not Applicable

*Directorship includes all the companies incorporated in India.

**By order of the Board of Directors
For, Premier Synthetics Limited**

**Place: Ahmedabad
Date: 10th August, 2020**

**Vinod Rana
Company Secretary**

BOARD REPORT

Dear Members,

The Board of Directors are pleased to present the 50th Annual Report of the Company for the Financial Year ended March 31, 2020.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2020 is summarized below:

(Amount Rs. in Lakhs)

Particulars	Year Ended 31 st March, 2020	Year Ended 31 st March, 2019
Gross Revenue	4310.11	4727.40
Profit before Interest, Depreciation & tax	94.53	279.48
Less : Interest	11.24	8.02
Less : Depreciation	72.63	64.12
Profit before exceptional items and tax	10.66	207.33
Less : Exceptional Items	-	-
Profit before Tax	10.66	207.33
Less : Provision for Tax	-	-
Less: Provision for Dividend	-	0.11
Profit after tax & dividend	10.66	207.22
Add : Profit/(Loss) brought forward from previous year	(2918.38)	(3125.60)
Balance carried to Balance Sheet	(2907.72)	(2918.38)

RESULT OF OPERATION

During the year under review, the Company recorded gross revenue of Rs. 4310.11 Lakhs compared to Rs. 4727.40 Lakhs in the previous year. The Company is engaged in manufacturing of Cotton yarn.

The Company made profit before exceptional item and tax of Rs. 10.66 lakhs as compared to Rs. 207.33 lakhs in the previous year. After Exceptional items, the Net Profit after tax of the Company for the year

stood at Rs. 10.66 lakhs against net profit of Rs. 207.33 lakhs in the previous year.

JOINT VENTURE, ASSOCIATE & SUBSIDIARIES

The Company does not have Joint Venture, Associate and Subsidiaries as per rule 6 of the Companies (Accounts) Rules, 2014. Hence, no reporting of the same in Form AOC-1 has been made.

RESERVES

The Board of Directors of your Company has decided not to transfer any amount for the year under review to the Reserves.

DIVIDEND

During the year under review, the Directors have recommended payment of 0.01% on Non-Cumulative Non-convertible Redeemable Preference Shares of the face value of Rs. 100 (Rupees one hundred only) each as dividend for the financial year 2019-20, for approval of shareholders at the ensuing 50th Annual General Meeting of the Company.

Directors have not recommended any dividend for equity shares of the Company.

MAJOR EVENTS OCCURRED DURING THE YEAR AND SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENT

- During the year under review, the market regulator SEBI (Securities and Exchange Board of India) had initiated investigation in the scrip of the Company and asked for the several information under the provisions of Section 11(2)(ia) of the SEBI Act, 1992. Your Company had fully co-operated with the respected officials of SEBI and provided all the information they required under the aforementioned law.
- The Extra – Ordinary General Meeting was conducted on 05th March, 2020 at 03:00 p.m. at the registered office of the Company. The Company had obtained necessary approvals through Special Resolution passed at the said meeting for following:-
 - I. Insert of Additional Business Activity in the Main Object Clause of the Memorandum of Association (MOA) of the Company.
 - II. Consider the resolution in the matters specified under Section 180(1)(a) & Section 180(1)(c) of the Companies Act, 2013.
 - III. Adopt Fresh Articles of Association (AOA).

After the Extra – Ordinary General Meeting, your Company had also filed necessary forms with the Registrar of Companies (ROC), Gujarat for approval and got the same approved by the Registrar of Companies (ROC), Gujarat.

- The World Health Organisation had declared the Covid-19 Novel Corona Virus as the Pandemic and due to its possible outbreak in the entire India, the Government had imposed a nationwide lock down to stop its outbreak in India. The lockdown was imposed in four stages from 25th of March, 2020. Further, as per the government's direction, all business / industrial activities were stopped except the

things which come under essential commodities. In view of the same, our factory premises and registered office premises was closed and the entire operations was also stopped.

The consequences of this pandemic affected adversely both on our lives and livelihoods are yet to be fully ascertained. The gradual ceasing of economic activities across the world and also in India over a prolonged period has shattered economies and led to an unprecedented rise in unemployment across the world.

Never ever has any economic devastation been so severe and wide spread. Corporations across the world are gradually working towards restoration of economic activities but are still far from reaching optimum levels. At this stage there is no rule book to advice on the future course of action and there are significant uncertainties even today about the future. In India also after one of the most severe and longest lockdowns, we are still navigating the headwinds and trying to get back to “life as usual”, with significant restrictions and constraints.

Further, the Company is taking all the recommended precautions and safeguard measures as per the directives/guidelines/circulars issued by the Central Government and the respective State Government(s) from time to time as far as prevention and spreading of COVID-19 pandemic is concerned.

Your Company is continuously monitoring and assessing the impact of COVID-19 pandemic on the business, turnover, profitability and liquidity position particularly at subsidiary levels and will be taking all the necessary steps in future in line with the various directives issued by the Regulatory authorities, from time to time.

ISSUE OF SWEAT EQUITY SHARES / ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS

During the year under review, your Company has not issued any Sweat Equity Shares / Equity Shares with differential voting rights.

CAPITAL STRUCTURE

As on date of the Report, the Authorized Capital of the Company was Rs. 30,00,00,000/- (Rupees Thirty Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each and 20,00,000/- (Twenty Lakhs) Non Convertible Non Cumulative Redeemable Preference Shares of Rs. 100/- each and the issued, subscribed and paid-up share capital of the Company was Rs. 14,09,32,000/- (Rupees Fourteen Crores Nine Lakhs Thirty Two Thousand only) divided into 45,93,200 (Forty Five Lakhs Ninety Three Thousands Two Hundreds) Equity Shares of Rs. 10/- each and 9,50,000 (Nine Lakhs Fifty Thousands) Non Convertible Non Cumulative Redeemable Preference Shares of Rs. 100/- each.

There was no change in the Capital Structure of the Company during the Financial Year under review.

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION

Ratio of the Remuneration of each Directors to the Median Employee's Remuneration for the Financial Year ended on 31st March, 2020 is enclosed to this report and marked as “Annexure I”

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 read with Schedule V (B) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, report on “Management Discussion and Analysis” is attached and forms a part of this Report as “Annexure II”.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return of the Company as on Financial Year ended on March 31st, 2020 pursuant to the sub – section (3) of Section 92 of the Companies Act, 2013 and forming part of the report, in Form MGT-9 is enclosed as “Annexure IV” to this Report.

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, since the equity paid up share capital of the Company and net worth is below the threshold limits prescribed under SEBI (LODR) Regulations, 2015 Corporate Governance provision is not applicable to the Company for the year under review.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has not developed and implemented any Corporate Social Responsibility initiative as the provisions of Section 135 of Companies Act, 2013 are not applicable to the Company.

DETAILS OF MEETING OF THE BOARD AND ITS COMMITTEES

Board Meetings:

The Board of Directors met Five (5) times during the financial year 2019-20, and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The details of which are given below:

Sr. No.	Date of Meeting	Attendance of Directors
1.	28/05/2019	All directors were present
2.	13/08/2019	All directors were present
3.	13/11/2019	All directors were present
4.	27/01/2020	All directors were present
5.	11/02/2020	All directors were present

All Board Meetings were held at the Registered Office of the Company. The Agenda along with the Notes were sent in advance to all the Directors.

The Forty Ninth Annual General Meeting was held on September 30, 2019 at the Registered Office of the

Company.

Pursuant to requirements of Regulation 26 of the Listing Regulations, none of the Company's Director is a member of more than 10 committees or Chairman of more than 5 committees across all Public companies in which he is a Director.

Independent Directors Meeting:

During the year under review, the Independent Directors met on 13th November, 2019, inter alia to discuss over all operations, Business Strategy and Medium / Long term plans.

All the Independent Directors were present at the meeting. Pursuant to the requirements of the Listing Regulations and Schedule IV of the Companies Act, 2013 on Code of Conduct of the Independent Directors, the Independent Directors had reviewed and evaluated the performance of Non-Independent Directors and the Board as a whole and the same was found satisfactory.

Committees' Meetings:

The Audit Committee met four (4) times during the financial year 2019-20, and the details of the meeting are as follows:

Sr. No.	Date of Meeting	Attendance of Members
1.	28/05/2019	Chairman & all other Members were present
2.	13/08/2019	Chairman & all other Members were present
3.	13/11/2019	Chairman & all other Members were present
4.	11/02/2020	Chairman & all other Members were present

The Nomination & Remuneration Committee met Two (2) times during the financial year 2019-20, and the details of the meeting are as follows:

Sr. No.	Date of Meeting	Attendance of Members
1.	13/08/2019	Chairman & all other Members were present
2.	11/02/2020	Chairman & all other Members were present

The Stakeholder Relationship Committee and Investor Grievance Committee met Three (3) times during the financial year 2019-20, and the details of the meeting are as follows:

Sr. No.	Date of Meeting	Attendance of Members
1.	10/07/2019	Chairman & all other Members were present
2.	07/10/2019	Chairman & all other Members were present
3.	04/01/2020	Chairman & all other Members were present

Committees' Composition:

The compositions of Audit Committee, Stakeholder Relationship Committee & Nomination & Remuneration Committee are as follows:

Audit Committee:

The Composition of the Audit Committee is in alignment with the provisions of Section 177 of the Companies Act, 2013 read with Rules issued there under and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Chairman/Member
Mr. Sachin Kansal	Chairman
Mr. Jayesh Jain	Member
Mr. Sunny Sunil Singhi	Member

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company. The Board of Directors has appointed M/s. PGT & Associates, Chartered Accountants, as Internal Auditors to conduct the internal audit of the various areas of operations and records of the Company. The periodical reports of the said internal auditors were regularly placed before the Audit Committee along with the comments of the management.

Nomination and Remuneration Committee Composition:

The Composition of Nomination and Remuneration Committee is as follows:

Name	Chairman/Member
Mr. Jayesh Jain	Chairman
Mr. Sachin Kansal	Member
Mr. Gautamchand Surana	Member

In view of the amended provisions of Section 178 of the Companies Act, 2013, the performance of Board, its committees and each Director (excluding the director being evaluated) has been evaluated by the Board on the basis of engagement, leadership, analysis, decision making, communication, governance, interest of stakeholders etc.

Stakeholders and Investor Grievance Committee:

The Company has constituted the Stakeholders Relationship and Investors' Grievance Committee in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. The Composition of the said Committee is as follows:

Name	Chairman/Member
Mr. Sachin Kansal	Chairman
Miss. Anusha Maheshwary	Member
Mr. Sunny Sunil Singh	Member

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Name of the Person	Designation
1.	Mr. Gautamchand Surana	Managing Director
2.	Mr. Kartik Jain	Chief Financial Officer
3.	Mr. Vinod Rana	Company Secretary

EVALUATION BY BOARD OF ITS PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees of the Board. The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board composition and structure, effectiveness of Board/ Committees processes, and information provided to the Board etc. The Board and the individual Directors have also evaluated the performance of Independent and Non- Independent Directors, fulfillment of their independence criteria and their independence from the management, performance of the Board as a whole and that of the chairman of the meeting.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS INCLUDING INDEPENDENT DIRECTORS, KMP AND SENIOR MANAGEMENT

The Company has a Nomination and Remuneration policy for the performance evaluation of the Chairman, individual Directors, Board and its Committees. The Nomination and Remuneration Committee is responsible for identifying persons who are qualified to become Directors and who may be appointed on Senior Management in accordance with the criteria laid down in the Nomination and Remuneration Policy. The Committee also reviews the policy regarding the criteria for appointment and remuneration of Directors including Independent Directors, Key Managerial Persons and Senior Management. The Committee also recommends to the Board, the appointment of any new Directors/Key Managerial Personnel or removal of the existing Directors/ Key Managerial Personnel. The Committee recommends to the Board as to whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of

performance evaluation of Independent Directors. After carefully evaluating and analyzing the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company decide whether to appoint a new Director/Key Managerial Personnel or remove an existing Director/ Key Managerial Personnel, as the case may be. The Nomination and Remuneration Committee of the Company oversees the implementation of the Nomination and Remuneration policy of the Company. The composition of the Nomination and Remuneration Committee and other relevant details are provided in this report.

The salient features of the Nomination and Remuneration policy are as follows:

- a. The policy has been framed in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. The policy spells out the criteria for determining qualifications, positive attributes and independence of a Director and the remuneration of Directors, Key Managerial Personnel and Senior Management including functional heads.
- c. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- d. The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.
- e. The remuneration/ commission shall be in accordance with the statutory provisions of the Companies Act, 2013 and the rules made there under for the time being in force.
- f. Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules made there under as well as Regulation 16 of Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

PUBLIC DEPOSITS:

In terms of Section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014, your Company has not accepted any public deposits or no amount of principal or interest was outstanding as on date of the Balance sheet during the year under review.

LOANS, GUARANTEE AND INVESTMENTS

The particulars of loans, guarantee or investment made under Section 186 of the Companies Act, 2013 are

given in the Notes forming part of the Financial Statements for the year ended March 31, 2020.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions that were entered into during the financial year in the ordinary course of business and the prices were at arm's length basis. Hence, the provisions of Section 188(1) of the Companies Act, 2013 are not attracted. Further no materially significant related party transactions were entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Hence reporting in AOC-2 is not made. All related party transactions are placed before the Audit Committee and Board of Directors for their review.

STATUTORY AUDITORS AND AUDITORS REPORT

M/s. Loonia& Associates, Chartered Accountants (Firm Registration No. 130883W), were appointed as Statutory Auditors of the Company at the 46th Annual General Meeting (AGM) till the conclusion of the 51st Annual General Meeting (AGM).

M/s. Loonia& Associates have confirmed their eligibility and qualification under Section 139, 141 and other applicable provisions of the Companies Act 2013 and Rules issued there under (including and statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Auditors' Report for the financial year ended March 31, 2020 on the financial statements of the Company is a part of this Annual Report. The Auditors' Report for the financial year ended March 31, 2020 does not contain any qualification, reservation, or adverse remark.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

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. K. Jatin& Co. Practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report in the form "MR-3" is annexed herewith as "Annexure III". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITOR

The Board has appointed M/s. PGT & Associates, Chartered Accountant, Ahmedabad as an internal Auditor of the Company for F.Y. 2019-20.

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

The Information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended on 31st March, 2020 is given below and forms the part of the Board's Report.

A. CONSERVATION OF ENERGY:

The Company continues to meet the growing energy demand, while working towards minimizing the

environmental footprint of its ongoing operations, as well as future projects. The Company is continually exploring new ways to make its operations more efficient by putting technology to use for direct energy savings and increasing renewable energy sources.

- **Improving efficiency of electricity use**

Lighting: Due to its nature of operations, the share of lighting in electricity use is relatively high. It is important to re-examine whether the light source is utilized in the most efficient way and take electricity saving measures.

Electric motor: The textile industry uses a vast number of relatively small electric motors. While a conventional machine was driven by a single motor with the generated mechanical power transmitted to various parts of the machine in a collective manner, many modern machines utilize multiple motors with a control board controlling the movement of each motor, which is directly coupled to a machine part to drive it independently from others.

Electric heating: In the textile industry, electric heating has largely been replaced by other methods (steam, gas heating, or direct or indirect fired heating) for some time in order to achieve cost reductions

- **Non-conventional sources of energy**

The different alternative renewable sources of energy are biomass, tidal energy, geothermal energy, solar energy and wind energy. The technology is easy and straightforward to control, with nearly very little maintenance cost. There will not be any drawback of air pollution.

- **The Capital investment on energy conservation equipment**

During the year under review, Company has not incurred any capital expenditure on energy conservation equipment.

B. TECHNOLOGY ABSORPTION:

- **Efforts, in brief, made towards technology absorption, adaptation & innovation:**

The Company is taking necessary steps to replace certain existing equipment's by installing new equipments having better technology. In addition to this, the company has installed plant for re-processing for its waste material.

- **Benefit derived as a result of above efforts:**

The benefits of technology upgraded equipments will be visible in future working. Further, the Company has imported machinery spare parts to maintain the products quality and life of machine.

- **Expenditure incurred on Research and Development:**

During the year under review, Company has not incurred any Expenditure on Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company has foreign exchange outgo as mentioned below:-

Particulars	(Rs. In Lakhs)	
	2019-20	2018-19
Foreign Exchange Earned	NIL	NIL
Foreign Exchange Used	21.88	16.61

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:

The Company has an effective internal control and risk mitigation system, which is reviewed and constantly updated. The internal controls including the internal financial control of the Company are managed and reviewed by the Audit Committee and apart from the staff employed by the Company, the Company has also appointed Internal Auditors (M/s. PGT & Associates, Chartered Accountant, Ahmedabad) from outside the Company to review and monitor the internal financial controls and their adequacy. The Internal Financial Controls of the Company are adequate and commensurate with the size and nature of business of the Company.

RISK MANAGEMENT

Your Company has a well-defined Risk Management System in place, as a part of good governance practice. The risks are identified at various departmental levels and suitable mitigation measures are thereafter adopted. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. These are further subjected to a quarterly review. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a Company level as also separately for business segments. Risk management forms an integral part of the Company's planning cycle. At present the Company has not identified any element of risk which may be of threat to the existence of the Company.

REPORTING OF FRAUDS

There was no instance of fraud during the Financial Year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Companies Act 2013 and Rules framed there under.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In order to address the genuine concerns and grievances of the Directors and Employees of the Company, the Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors and employees pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Vigil Mechanism provides adequate safeguards against victimization of Director(s) or employee(s) or any other person who avails the mechanism and also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. Further, the policy has been posted in the website of the Company. It is pertinent to note that no fraud case has been reported in the year under review.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATOR / COURTS / TRIBUNAL:

There are no significant / material orders passed by the Regulator / Courts / Tribunal impacting the going concern status of your Company and its operations in future.

HUMAN RESOURCES AND POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. However the Company does not have female employee as mentioned in the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and therefore the Internal Complaints Committees (ICC) cannot be constituted due to the lack of number of female employees.

COMPLIANCE WITH THE SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Act, your Directors confirm, to the best of their knowledge and belief:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

FINANCE AND ACCOUNTS

During the year under review, the Rating Agency CARE Ratings Limited maintained the “B” rating for the Company’s Non Cumulative Non Convertible Redeemable Preference shares.

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2020 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company’s state of affairs, profits and cash flows for the year ended March 31, 2020.

FAMILIARIZATION PROGRAMME TO INDEPENDENT DIRECTORS

The Company provides suitable familiarization programme to Independent Directors to help them familiarize themselves with the nature of the industry in which the company operates and the business model of the company in addition to regular presentation on expansion plans and their updates, business operations and financial statements. In addition to the above, Directors are periodically advised about the changes effected in the Corporate Law, Listing Regulations about their roles, rights and responsibilities as Directors of the company. There is a regular interaction of Directors with the Key Managerial Personnel of the Company.

RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT:

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Gautamchand Kewalchand Surana (Managing Director), is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible have offered himself for re-appointment.

CHANGE IN NATURE OF BUSINESS:

During the year under review, your Company has not changed its nature of business. The Board is of the opinion that the existing operations of Yarn Manufacturing will not result in improved working since the products of the Company are mainly used by the Textile denim manufacturers and the present market conditions of Textile Denim Manufacturers are not good. In addition to this, the Company's plant is of old technology which results in higher cost of production in comparison to new technology plants. The cost of production is also higher due to higher rate of electricity in comparison to Electricity rate in the State of Maharashtra for textile units at present and also higher cost of manpower. In these circumstances, the Board is of the view that Company should dispose off existing movable assets and should develop the existing land of the Company for commercial / industrial / residential purpose since the location of the land is very near to Ahmedabad. The company had also added three object clauses to the main object clause for the same.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

During the years under review, no shares were held in demat suspense account or unclaimed suspense account of the Company.

INSURANCE

The Company has taken all the necessary steps to insure its properties and insurable interest, as deemed appropriate and as required under the various legislative enactments. There were no major incidents or accidents to warrant insurance claims during the year under review.

INITIATIVE

Your Directors would like to draw your attention to Section 20 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as may be amended from time, which permits paperless compliances and also service of notice / documents (including annual report) through electronic mode to its members. To support this green initiative of the Central Government in full measure, we hereby once again appeal to all those members who have not registered their e-mail addresses so far are requested to register their e-mail address in respect of electronic holdings with their concerned depository participants and / or with the Company.

ANNEXURES

The lists of annexure forming part of the Board Report are as follows:

Annexure	Annexure No.
Ratio of the remuneration of each director to the median employee's remuneration	I
Management Discussion and Analysis Report	II
Secretarial Audit Report (MR-3)	III
Extract of Annual Return (MGT-9)	IV

ACKNOWLEDGMENT

Your Directors place on record their sincere appreciation for the assistance and guidance provided by the Regulators, Stock Exchanges, other statutory bodies and the Company's bankers for the assistance, cooperation and encouragement extended to the Company. Your Directors wish to place on record their appreciation for the contributions made by the employees of **Premier Synthetics Limited** at all levels for their efforts, hard work and support, which are indispensable for smooth functioning of the Company. Your involvement as Shareholders is also greatly valued and your Directors look forward to your continued support.

**By order of the Board of Directors
For, Premier Synthetics Limited**

**Place: Ahmedabad
Date: 10th August, 2020**

**Gautamchand Surana
Managing Director
DIN: [00955362](#)**

**Sanjay Majethia
Director
DIN: [06555488](#)**

ANNEXURE - I

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and remuneration) Rules, 2014

- (i) **The ratio of the remuneration of Directors and Key Managerial Personnel to the median remuneration of the employees of the Company for the financial year 2019-20:**

Sl. No.	Name of Director and KMP	Designation	Ratio of the remuneration of each Director/KMP to median remuneration of employees	% increase in Remuneration
1	Sanjaykumar Majethia	Director	-	-
2	Gautamchand Surana	Managing Director	-	-
3	Sunny Singhi	Non-Executive Director	-	-
4	Sachin Kansal	Independent Director	-	-
5	Jayesh Jain	Independent Director	-	-
6	Anusha Maheshwary	Independent Director	-	-
7	Kartik Jain	Chief Financial Officer	4.39	22.62
8	Vinod Rana	Company Secretary	2.40	17.50

None of the Directors took any remuneration / sitting fees in the F. Y. 2019-20.

- a. **The percentage increase in the median remuneration of the employees of the Company for the Financial Year 2019-20: 2.95%**
- b. **The number of permanent employees on the rolls of the Company: 77**
- c. **Average percentage increase already made in the salaries of employees other than the key managerial personnel in financial year 2019-20 and its comparison with the percentage increase in the managerial remuneration:**

(Amount in Rs.)

Remuneration paid to employees (excluding managerial personnel) for the FY 2018-19	Remuneration paid to employees (excluding managerial personnel) for the FY 2019-20	(%) Change in remuneration paid to employees (excluding managerial personnel)	Remuneration paid to managerial personnel for the FY 2018-19	Remuneration paid to managerial personnel for the FY 2019-20	(%) change in remuneration paid to managerial personnel
10469872	11738837	12.12	6,50,000	7,97,000	22.62

- (ii) **Affirmation that the remuneration is as per the remuneration policy of the Company**
The remuneration is as per the Remuneration Policy of the Company.

**By order of the Board of Directors
For, Premier Synthetics Limited**

**Place: Ahmedabad
Date: 10th August, 2020**

**Gautamchand Surana
Managing Director
DIN: [00955362](#)**

**Sanjay Majethia
Director
DIN: [06555488](#)**

ANNEXURE - II

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) BUSINESS SCENARIO

The textiles and apparel industry can be broadly divided into two segments - yarn and fiber and processed fabrics and apparel. The domestic textiles and apparel market was estimated at US\$ 100 billion in FY19. The textile industry has around 4.5 crore workers including 35.22 lakh handloom workers all over the country. In FY19, growth in private consumption was expected to create strong domestic demand for textiles. Growth in demand is expected to continue at 12 per cent CAGR to reach US\$ 220 billion by 2025.

Cotton production in India reached 36.04 million bales in FY20. During FY19, production of fiber in India stood at 1.44 million tonnes (MT) and reached 1.60 MT in FY20 (till January 2020), while that for yarn, the production stood at 4,762 million kgs during same period.

Textile is a term widely used for referring to woven fabrics, yarns and fibers made from jute, polyester, cotton, wool, etc. In India, the textile and apparel industry is one of the oldest industries that has witnessed numerous developments over the years. Today, the textile and apparel market has become a vital contributor to the Indian economy. This can be attributed to the abundant availability of raw materials used for manufacturing apparel such as cotton, silk, wool, etc. The Government is also making investments under the Scheme for Integrated Textile Parks and the Technology Upgradation Fund Scheme for training workforce and to encourage private investment in the Indian textile and apparel industry. Looking forward, IMARC (International Market Analysis Research and Consulting) Group expects the Indian textile and apparel market to exhibit its strong growth during the next five years.

COVID-19 Impact

The textile and clothing industry employs over 105 million people. It earns around the US \$40 billion forexes, apart from substantial revenue under GST and other taxes. The Indian textile industry has taken a major hit due to COVID-19. This is because most of the Indian yarn exports are to China. The agency assumes that India's exports will be substantially hit till FY21. In fact, it has already reduced by more than 40% until January 2020 due to the US-China trade war.

The majority of downstream players had to incur inventory losses due to the ongoing geopolitical tensions in crude oil. This further led to the prices declining by more than 40% month on month in March 2020. The fabric industry registered a marginal improvement in exports in FY20. This was coupled with lower raw material costs and increased export demand from Bangladesh and other countries. Indian ready-made garments players have been hoping of a revival in demand and shift of orders from China since the start of a pandemic. However, with the spread of corona virus in Europe, demand and orders have been reduced from major retailers. Due to the pandemic's impact on consumer behavior and habits, "online-sales" are expected to witness a significant surge, even after the industry recovers.

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Initiatives taken by Government of India are:

- Under Union Budget 2020-21, a National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of Rs 1,480 crore (US\$ 211.76 million).
- In 2020, New Textiles Policy 2020 is expected to be released by the Ministry of Textiles.
- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from two per cent to four per cent.
- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020.
- The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth Rs 95,000 crore (US\$ 14.17 billion) by 2022.

Road Ahead

The future for the Indian textile industry looks promising, A short term impact due to COVID-19 Pandemic will be faced by the textile industry in India also but it is expected to gain field soon with rise in domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. It is expected that the same trend will continue to follow in the coming years.

References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau

OPPORTUNITIES AND THREATS

OPPORTUNITIES

I. Growing Industry

Exports of textiles from India expected to reach US\$ 82 billion in 2021 from US\$ 39 billion in FY19 as per the reports of India Brand Equity Foundation.

II. Market access through bilateral negotiation

The trade is growing between regional trade blocs due to bilateral agreements between participating countries.

III. Integration of Information technology

‘Supply Chain Management’ and ‘Information Technology’ has a crucial role in apparel manufacturing. Availability of EDI (Electronic Data Interchange) makes communication fast, easy, transparent and reduces duplication.

IV. Opportunity in High Value Items

India has the opportunity to increase its UVR’s (Unit Value Realization) through moving up the value chain by producing value added products and by producing more and more technologically superior products.

Opportunity in the Real Estate Business

The Covid-19 outbreak has led to a complete lockdown of the economy. The stock market volatility is rising and people are looking at more secure options for investment. The crisis has highlighted the need for shelter and protection in tough times. The pandemic has opened a new era of selling real estate that was under-utilized till now. Priorities for most people have changed and they are realizing the importance of owning a home which will increase the demand for real estate in the post Covid-19 world.

Real estate may not yield immediate results but by being less unstable than the market-driven investments, it is definitely a safer bet in the current situation. The demand for residential real estate is likely to increase as millennials are key demand drivers, their preferences are now dictated by the prevailing uncertainties.

The government further reinforced the affordable housing segment by extending the Credit Linked Subsidy Scheme (CLSS) for the middle-income group up to March 2021. Additionally, it opened a new investment class in the form of an affordable accommodation scheme for migrant workers and urban poor. Another trend which shall help in increasing demand for affordable homes is that of reverse migration. It shall spur housing demand in Tier-2 and Tier-3 cities giving developers the option to expand their projects to these markets as well.

The future will depend greatly on policy support and economic stabilization and hopefully in for the festive period of 2020, the markets will be stable. Developers are optimistic for upcoming quarters which will see a positive outlook in demand.

THREATS

I. Decreasing Fashion Cycle

There has been an increase in seasons per year which has resulted in shortening of the fashion cycle.

II. Formation of Trading Blocks

Formation of trading blocks like NAFTA, SAPTA, etc; has resulted in a change in the world trade scenario. Existence of bilateral agreements would result in significant disadvantage for Indian exports.

III. Phasing out of Quotas

India will have to open its protected domestic market for foreign players thus domestic market will suffer.

(b) OUTLOOK AND FUTURE PROSPECTS

India is the world's second largest exporter of textiles and clothing. Increased penetration of organized retail, favorable demographics, and rising income level are likely to drive demand for textiles. Cloth production stood at 63.34 billion square meters in FY20 (till January 2020).

India's textiles and apparel export is expected to increase to US\$ 82.00 billion by 2021 from US\$ 22.95 billion in FY20 (till November 2019).

2019-20 has been a challenging year with weakening consumer sentiment given the macro-economic conditions and finally, the COVID-19 outbreak and its terrible impact on lives and livelihoods. The human impact of the virus and the containment efforts have resulted in supply and demand disruptions, resulting in a sharper growth deceleration. The situation remains volatile with the trajectory of the virus undetermined, evolving hot spot geographies, the success of containment measures uncertain, the severity and duration of resulting economic crisis and the extent of structural damage unknown. There are many unknowns today and hence, the near-term outlook is extremely uncertain. We stand united with the nation in the fight against COVID-19 as we navigate our way through these dynamic uncertain times together. Our focus remains on safety of our people, protecting supply lines, serving demand, contributing to the society and optimizing cost and cash.

Further, rising Government focus and favorable policies is leading to growth in the textiles and clothing industry. The Ministry of Textiles is encouraging investment through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). In Union Budget 2020-21, the Government has allocated Rs 761.90 crore (US\$ 109.01 million) for Amended Technology Upgradation Fund Scheme (A-TUFS). The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)'. The Government announced a special package to boost export by US\$ 31 billion, create one crore job opportunities and attract investment worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020. Cumulative FDI (Foreign Direct Investment) inflow in the textiles sector stood at over US\$ 3.44 billion between April 2000 to March 2020.

In Union Budget 2020-21, the Government of India has allocated around Rs 3,515 crore (US\$ 502.93 million) to the Ministry of Textiles and Rs 80 crore (US\$ 11.45 million) for the scheme on Integrated Textile Parks. The Ministry of Textiles has announced Rs 690 crore (US\$ 106.58 million) for setting up 21 readymade garment manufacturing units in seven states for development and modernization of Indian textile sector. National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of Rs 1,480 crore (US\$ 211.76 million).

The National Handloom Development Programme has been allocated Rs 388.21 crore (US\$ 55.55 million), whereas, the Integrated Processing Development Scheme has received Rs 50 crore (US\$ 7.15 million) in Union Budget 2020-21.

(c) RISKS & CONCERNS

For the past few months, what India and the world have seen is unimaginable. From the economic point of view, a major concern is the future of the textile industry. The demand for textile products abroad and domestic sales have come down to a grinding halt due to the panic situation created by the COVID-19 outbreak. Due to the lockdown, all sorts of textile-related factories are closed and it is tough to hazard a guess when those will be allowed to open. Workers have been running here and there amid all sorts of confusion. The business community is scared on account of cash crunch, supply chain disturbance and manpower-related issues.

The apparel industry is severely hit all over the world. Stores are closed and almost all buyers are cancelling or postponing orders as they have big inventories. They may not place orders in the next few months as well. India's major export destinations, the United States and Europe, are the worst affected.

According to a recent survey by the International Textile Manufacturers Federation (ITMF), on an average 8 per cent orders have dropped worldwide and the expected turnover this calendar year will be down by nearly 10 per cent over 2019 figures.

The industry may take a much longer time to recover after the lockdown. It may take a minimum of four to six months to see businesses back to normal, as estimates of direct losses are difficult to make now and it is also tough to foresee the issues that will crop up later. Financially strong companies are expected to recover faster.

(d) SUBSIDIARIES/JOINT VENTURES

The Company does not have subsidiaries, associates and joint venture companies.

(e) HUMAN RESOURCES

The organization believes that an excellent talent pool is the key to excellent business results. There exists a diverse employee base with unique creative skills, technical knowledge and functional proficiency. This helps to deliver 'more with less'. 'Performance Excellence' is considered an essential tool so as to effectively accomplish business vision, mission and other long term objectives.

There are Policies relating to recruitment, training, recognition reward, retention, etc. The Management works towards "Creating People Advantage" organization and periodically embarks on several initiatives to enhance the productivity of the organization. Deployment of key resources to tactfully execute the defined strategy, results in achieving desired results.

In order to stay pertinent in the evolving area of business the Company combats the VUCA factors (Volatility, Uncertainty, Complexity and Ambiguity) with Versatility, Unprecedented, Creativity and Adaptability.

(f) FINANCIAL RESULTS:

(Amount Rs. in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Gross Revenue	4310.11	4727.40
Profit before Interest, Depreciation & tax	94.53	279.48
Less : Interest	11.24	8.02
Less : Depreciation	72.63	64.12
Profit before exceptional items and tax	10.66	207.33
Less : Exceptional Items	-	-
Profit before Tax	10.66	207.33
Less : Provision for Tax	-	-
Less: Provision for Dividend	-	0.11
Profit after tax & dividend	10.66	207.22
Add : Profit/(Loss) brought forward from previous year	(2918.38)	(3125.60)
Balance carried to Balance Sheet	(2907.72)	(2918.38)

I. Segment –Wise or product wise performance

The Company operates in only single segments. Hence segment wise performance is not applicable.

II. Internal Control Systems and their adequacy

Pursuant to the provisions of section 134(5)(e) Companies Act, 2013, every listed company has to lay down Internal Financial Controls and ensure that these are adequate and are operating effectively. Internal Finance Controls means the policies and procedures adopted by the company for ensuring the following:

- Orderly and efficient conduct of its business
- Adherence to company's policies
- Safeguarding of its assets
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records and timely preparation of reliable financial information

The Company has adequate and suitable internal control systems that are continuously monitored and updated to ensure that its assets are safeguarded. These systems also ensure that established regulations are

complied with and pending issues are addressed promptly. The adequacy of the internal control systems are audited by the internal auditors and the reports are reviewed quarterly by the Audit Committee.

Based on the report of Internal Audit, the Committee makes note of the audit observations and undertakes corrective actions, where necessary. It maintains a constant dialogue with the statutory and internal auditors to ensure that internal control systems are operating effectively.

(g) CAUTIONARY STATEMENT:

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy.

**By order of the Board of Directors
For, Premier Synthetics Limited**

**Place: Ahmedabad
Date: 10th August, 2020**

**Gautamchand Surana
Managing Director
DIN: [00955362](#)**

**Sanjay Majethia
Director
DIN: [06555488](#)**

ANNEXURE - III

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2020

[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,
Premier Synthetics Limited
(CIN: L99999GJ1970PLC100829)

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanation and clarification given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 (hereinafter referred to as “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 there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowing, Foreign Direct Investment and Overseas Direct Investment;
(Not applicable to the Company during Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during Audit Period)**
- g) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during Audit Period)**
- h) The Securities and Exchange Board of India (Stock Brokers and Sub – Brokers) Regulations, 1992;
- i) The Securities and Exchange Board of India (Intermediaries) Regulations, 2008;
- j) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003;
- k) The Securities and Exchange Board of India (KYC (know your client) Registration Agency Regulation, 2011;
- l) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during Audit Period)**
- m) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during Audit Period)** and
- n) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during Audit Period)**

We report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has also complied with the following laws applicable specifically to the Company:

- i. Employees Provident Fund and Miscellaneous Provisions Act, 1952
- ii. Environment Protection Act, 1986 and other environmental laws
- iii. Indian Contract Act, 1872
- iv. Income Tax Act, 1961 and Indirect Tax Laws
- v. The Goods and Service Tax Act, 2017
- vi. Indian Stamp Act, 1999
- vii. Industrial Dispute Act, 1947
- viii. Minimum Wages Act, 1948
- ix. Negotiable Instruments Act, 1881
- x. Payment of Bonus Act, 1965
- xi. Payment of Gratuity Act, 1972
- xii. Payment of Wages Act, 1936 and other applicable labour laws

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement etc. mentioned above.

We further report that-

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

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

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

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.

K JATIN & CO.

Place: Ahmedabad
Date: 30/07/2020

ACS No.: 26725
CP No.: 12043
UDIN: A026725B000526941

ANNEXURE – V
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014
FORM NO. MGT – 9

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L99999GJ1970PLC100829
2	Registration Date	09/10/1970
3	Name of the Company	PREMIER SYNTHETICS LIMITED
4	Category	PUBLIC COMPANY LIMITED BY SHARES
5	Sub-category of the Company	INDIAN NON-GOVERNMENT COMPANY
6	Address of the Registered office & contact details	Surana House, Behind Klassic Chambers, Swastik X Rd, Opp. Narnarayan Complex, Navrangpura Ahmedabad-380009, Gujarat. Tel. No.: 079-26431558/ 079-26430946 Email: premiersynthetics@gmail.com
7	Whether listed company	YES
8	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited D-153a, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020. Tel No.:011 – 64732681 Fax : 011 – 26812682 Email : info@skylinerta.com Website:www.skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	TEXTILE	17111	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

(IV) SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of total equity)**(I) Category wise Share Holding**

A) Category-wise Share Holding		Shares Held at beginning of the Year 31/03/2019				Shares Held at the End of the Year 31/03/2020				% Change During The Year
S.No.	Category of Shareholders	Demat	Phy.	Total	% of Total Shares	Demat	Phy.	Total	% of Total Shares	
A	Promoters									
1	Indian									
a)	Individual / Huf	2206100	0	2206100	48.03	2206100	0	2206100	48.03	0.00
b)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(1)	2206100	0	2206100	48.03	2206100	0	2206100	48.03	0.00
2	Foreign									
a)	NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoters(A)	2206100	0	2206100	48.03	2206100	0	2206100	48.03	0.00
B	Public Shareholding									
1	Institutions									
a)	Mutual Funds	34475	121900	156375	3.40	34475	121900	156375	3.40	0.00
b)	Banks/FI	27600	1300	28900	0.63	28420	1300	29720	0.65	0.02
c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Government	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIs	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
i)	Any Other Foreign	0	0	0	0.00	0	0	0	0.00	0.00
j)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1)	62075	123200	185275	4.03	62895	123200	186095	4.05	0.02
2	Non-Institutions									
a)	Bodies Corporate									

1)	Indian	84479	47550	132029	2.87	11091	47550	58641	1.28	-1.59
2)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals									
1)	Individual shares holders having nominal share capital upto Rs. 1,00,000	1024919	70197	1095116	23.84	1055523	67972	1123495	24.46	0.62
2)	Individual shares holders having nominal share capital Excess of Rs. 1,00,000	949098	10375	959473	20.89	985312	0	985312	21.45	0.56
c)	Others									
a)	HUF	6717	0	6717	0.15	27446	0	27446	0.60	0.45
b)	Non Resident Indian	4091	0	4091	0.09	3896	0	3896	0.08	-0.01
c)	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
d)	Clearing Members	4399	0	4399	0.10	2215	0	2215	0.05	-0.05
e)	Trust	0	0	0	0.00	0	0	0	0.00	0.00
f)	Foreign Bodies-DR	0	0	0	0.00	0	0	0	0.00	0.00
g)	NBFC Registered With RBI	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(2)	2073703	128122	2201825	47.94	2085483	115522	2201005	47.92	-0.02
	Total Public Shareholding (B)	2135778	251322	2387100	51.97	2148378	238722	2387100	51.97	0.00
C)	Shares Held By Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
D)	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total	4341878	251322	4593200	100.00	4354478	238722	4593200	100.00	0.00

(ii) Shareholding of Promoter								
SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Gautamchand Surana	1059870	23.07%	-	1059870	23.07%	-	-
2	Sanjaykumar Majethia	584650	12.73%	-	584650	12.73%	-	-
3	Rajiv Bansal	327720	7.13%	-	327720	7.13%	-	-
4	Vikram Sanghvi	233860	5.09%	-	233860	5.09%	-	-

(iii) Change in Promoter's Shareholding

SR. No.	Name & Type of Transaction	Shareholding as on 31/03/2019		Transactions during the year – 2019-20		Cumulative Shareholding as on 31/03/2020	
		No. of Shares Held	% of Total Shares of the Company	Date Of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
There was no change in the Promoter's Share holdings							

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on March 31, 2020:

		Shareholding as on 31/03/2019		Transactions during the year – 2019-20		Cumulative Shareholding as on 31/03/2020	
		No. of shares held	% of total Shares of the company	Date of Transaction	No. of shares	No. of shares held	% of total Shares of the company
1	Purvi Krishan Panshari	151250	3.29	0	0	151250	3.29
	Balance					151250	3.29
2	Indian Bank A/C Indian Bank Mutual	121900	2.65	0	0	121900	2.65
	Balance					121900	2.65
3	Urmila Bardia	88879	1.94	0	0	88879	1.94
	Balance					88879	1.94
4	Bhargav Shrikant Hasurkar	82877	1.80	0	0	82877	1.80
	Balance					82877	1.80
5	Deepa Divyesh Vora	64011	1.39	0	0	64011	1.39
	Balance					64011	1.39
6	Adyashakti Finance Limited	39750	0.87	0	0	39750	0.87
	Balance					39750	0.87
7	Canara Robeco Mutual Fund A/C	34475	0.75	0	0	34475	0.75
	Balance					34475	0.75
8	Parasdevi Laxmilal Mogra	34000	0.75	0	0	34000	0.74
	Balance					34000	0.74

9	Rakhiben Sahitya	30000	0.65	0	0	30000	0.65
	Balance					30000	0.65
10	Life Insurance Corporation Of India	27600	0.60	0	0	27600	0.60
	Balance					27600	0.60

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and Key Managerial Personnel	Beginning of the Year		End of the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Gautamchand Surana	1059870	23.07	1059870	23.07
2	Sanjay Majethia	584650	12.73	584650	12.73
3	Sunny Sunil Singhi	324600	7.07	324600	7.07

The following Directors and KMP did not hold any Shares during Financial Year 2019-20

Jayesh Jain - Independent Director

Vinod Rana - KMP

Sachin Kansal - Independent Director

Kartik Jain – KMP

Anusha Maheshwary - Independent Director

V. INDEBTEDNESS				(Amt. in Crores)
Indebtedness of the Company including interest outstanding/accrued but not due for payment.				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2.00	7.88	-	9.88
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2.00	7.88	-	9.88
Change in Indebtedness during the financial year				
* Addition	(2.00)	(1.40)	-	(3.4)
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	6.48	-	6.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	0.00	6.48	-	6.48

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:			
SN	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Name	Gautamchand Surana
1	Gross salary		0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- As % of profit		-
	- others, specify		-
5	Others, Bonus etc.		0
		Total (A)	0
		Ceiling as per the Act	

Particulars of Remuneration	Independent Directors			Non-Executive Director	Director	Managing Director	Total Amount
	Mr. Jayesh Jain	Mr. Sachin Kansal	Miss. Anusha Maheshwary	Mr. Sunny Singhi	Mr. Sanjay Majethia	Mr. Gautamchand Surana	
Fee for attending board meetings	-	-	-	-	-	-	-
Committee meetings	-	-	-	-	-	-	-
Commission	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-	-	-
Overall Ceiling as per the Act	-	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD				
SN	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
	Name	Mr. Vinod Rana	Mr. Kartik Jain	
	Designation	Company Secretary	Chief Financial Officer	
1	Gross salary	2,82,000	5,15,000	7,97,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity Commission	0	0	0
	- As % of profit	0	0	0
4	- others, specify Others, Bonus	0	0	0
	Total	2,82,000	5,15,000	7,97,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There was no Penalties/Punishments/Compounding of Offences for the year ended March 31, 2020

Independent Auditors' Report

To
The Members of
PREMIER SYNTHETICS LIMITED

Report on the Financial Statements

We have audited the accompanying Ind As Financial Statements of **PREMIER SYNTHETICS LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), and the Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (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 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Board’s Report including Annexures to Board’s Report, and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon. The above mentioned reports are expected to be made available to us after the date of this auditor’s report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("**the Act**") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other Comprehensive Income, cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor’s Report) Order, 2016 (“**the Order**”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure A”, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **As required by section 143(3) of the Act, we further report that:**
 - (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (iii) The Balance Sheet, Statement of Profit and Loss including other comprehensive income, the statements of Cash Flows and statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - (iv) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (v) On the basis of written representations received from the directors as on March 31, 2020, and 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.
 - (vi) 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 B”,

- (vii) With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company did not pay any remuneration to its directors during the year in terms of section 197 of the Act.

For Loonia & Associates
Chartered Accountants
(Registration No.130883W)

Place: Ahmedabad
Date: 29th June, 2020

Hitesh Loonia
Proprietor
Membership No. 135424
UDIN: 20135424AAAABS5989

Annexure ‘A’ to the Independent Auditor’s Report

Referred to in paragraph 1 under the heading “Report on Other Legal And Regulatory Requirements” of Our Independent Audit Report of even date on the Financial Statements of PREMIER SYNTHETICS LIMITED for the year ended 31st March, 2020.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) In respect of its Property, plant and equipments:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipments.
 - (b) As explained to us, the management during the year has physically verified the Property, plant and equipments in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, plant and equipments are held in the name of the Company.
- (ii) As explained to us, in our opinion, the management has physically verified inventories at reasonable intervals during the year and there was no material discrepancies noticed on such physical verification as compared to the book records.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and hence, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, investments, guarantees and security in terms of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, in respect of products of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable
- (vii) In respect of statutory dues:
 - (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Customs Duty, Excise Duty, Value Added

Tax, Cess and other material statutory dues have been generally deposited regularly with the appropriate authorities in India.

According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues were in arrears as at 31 March, 2020 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) According to information and the explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) During the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or by its officers or employees on it, has been noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company did not pay any managerial remuneration in terms of Section 197 of the Act read with Schedule V to the Act. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to 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, in our opinion, all the transactions entered with the related parties are in compliance with sections 177 and 188 of the Act and the details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the 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 paid convertible debentures during the year and hence reporting under paragraph 3(xiv) of the order is not applicable.
- (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 any non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us and the records of the Company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause 3(xvi) of the Order is not applicable

For Loonia & Associates
Chartered Accountants
(Registration No.130883W)

Place: Ahmedabad
Date: 29th June, 2020

Hitesh Loonia
Proprietor
Membership No. 135424
UDIN: 20135424AAAABS5989

Annexure - B to the Independent Auditors' Report

Referred to in paragraph 2(F) under the heading "Report on Other Legal And Regulatory Requirements" of Our Independent Audit Report of even date on the Financial Statements of PREMIER SYNTHETICS LIMITED for the year ended 31st March, 2020.

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

We have audited the internal financial controls over financial reporting of Premier Synthetics Limited ("the Company") as of 31 March, 2020 in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

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.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

For Loonia & Associates
Chartered Accountants
(Registration No.130883W)

Place: Ahmedabad
Date: 29th June, 2020

Hitesh Loonia
Proprietor
Membership No. 135424
UDIN: 20135424AAAABS5989

PREMIER SYNTHETICS LIMITED
Balance Sheet as at 31st March, 2020

Particulars	Note No.	As At 31.03.2020 Rs.	As At 31.03.2019 Rs.
I ASSETS			
1 Non-current Assets			
a) Property, Plant & Equipment	2	240,831,501	248,723,415
b) Capital Work-in-Progress		-	-
c) Deferred tax assets (net)	3	39,603,470	57,500,000
d) Financial Assets:			
(i) Loans	4	8,414,592	7,992,835
e) Other non-current assets	5	-	209,120
Total Non-Current Assets		288,849,563	314,425,370
2 Current Assets			
a) Inventories	6	33,107,553	42,387,296
b) Financial Assets:			
(i) Trade Receivables	7	93,455,462	112,095,346
(ii) Cash and cash equivalents	8	459,409	403,669
(iii) Loans	9	1,413,258	1,343,258
c) Other Current Assets:	10	2,708,322	7,987,157
d) Income Tax Assets:	11	1,359,505	1,295,399
Total Current Assets		132,503,509	165,512,125
Total Assets		421,353,072	479,937,495
II EQUITY & LIABILITIES			
A Equity			
a) Equity Share Capital	12	45,932,000	45,932,000
b) Other Equity	13	265,911,469	217,364,052
Total Equity		311,843,469	263,296,052
B Liabilities			
1 Non-current Liabilities			
a) Financial Liabilities:			
(i) Borrowings	14	26,167,190	114,984,936
b) Provisions	15	1,729,409	2,259,024
Total Non-Current Liabilities		27,896,599	117,243,960
2 Current Liabilities			
a) Financial Liabilities:			
(i) Trade payables	16	13,036,215	16,960,813
(ii) Borrowings	17	64,811,163	78,821,363
b) Other Current Liabilities	18	2,705,958	2,677,570
c) Provisions	19	1,059,668	937,737
Total Current Liabilities		81,613,004	99,397,483
Total Liabilities		109,509,603	216,641,443
Total Equity & Liabilities		421,353,072	479,937,495
Significant Accounting Policies	1		
Notes forming part of the Financial Statements	2-39		
As per our report of even date		For and on behalf of the Board	
For Loonia & Associates			
Chartered Accountants			
Registration No. 130883W			
Hitesh Loonia		Gautamchand Surana	Sanjaykumar Majethia
Proprietor		Managing Director	Director
M No 135424		Kartik Jain	Vinod Rana
Place - Ahmedabad		Chief Financial Officer	Company Secretary
Date - 29th June, 2020			

PREMIER SYNTHETICS LIMITED

Statement of Profit and Loss for the Year ended 31st March,2020

Particulars		Note No.	2019-20 Rs.	2018-19 Rs.
INCOME				
(I)	Revenue from Operations	20	429,170,914	463,593,078
(II)	Other Income	21	1,840,265	9,147,216
(III)	Total Income (I) + (II)		431,011,179	472,740,294
EXPENSES				
(IV)	Cost of Raw Material Consumed	22	334,961,441	345,046,343
	Changes in inventories of finished goods, work in progress and Stock-in-trade		(5,791,181)	13,405,299
	Employee benefits expenses	23		
	Finance Costs	24	15,184,060	13,836,410
	Depreciation and amortization expenses	25	1,123,674	802,057
	Other expenses	26	7,262,978	6,412,393
	Total Expenses (IV)		77,204,035	72,504,531
(V)	Profit before Exceptional Items & Taxes		1,066,172	20,733,261
(VI)	Exceptional Items - (Net)		-	-
(VII)	Profit before tax (V)-(VI)		1,066,172	20,733,261
(VIII)	Tax Expenses :			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
(IX)	Profit for the Period (VII)-(VIII)		1,066,172	20,733,261
(X)	Other Comprehensive Income			
A(i)	items that will not be reclassified to profit or loss		-	-
(ii)	income tax relating to items that will not be reclassified to profit or loss		-	-
B(i)	items that will be reclassified to profit or loss		-	-
(ii)	income tax relating to items that will be reclassified to profit or loss		-	-
(XI)	Total Comprehensive Income for the Period [(IX)+(X)] (Comprising Profit and Other Comprehensive Income for the period)		1,066,172	20,733,261
(XII)	Earning Per Equity Share(Nominal Value per Share: (Rs. 10)	27		
	1. Basic		0.23	4.51
	2. Diluted		0.23	4.51
Significant Accounting Policies		1		
Notes forming part of the Financial Statements		2-39		
As per our report of even date		For and on behalf of the Board		
For Loonia & Associates				
Chartered Accountants				
Registration No. 130883W		Gautamchand Surana		Sanjaykumar Majethia
		Managing Director		Director
Hitesh Loonia				
Proprietor		Kartik Jain		Vinod Rana
M No 135424		Chief Financial Officer		Company Secretary
Place - Ahmedabad				
Date - 29th June,2020				

PREMIER SYNTHETICS LIMITED

Statement of Changes in Equity

For the year ended 31st March, 2020

(Amount in Rs.)

A. Equity Share Capital		
Particulars	No. of Shares	Amount
Equity Shares of Rs. 10/- each, Issued, Subscribed and Fully Paid-up:		
As at 31.03.2018	4,593,200	4,593,200
Movement during the year	-	-
As at 31.03.2019	4,593,200	4,593,200
Movement during the year	-	-
As at 31.03.2020	4,593,200	4,593,200

B. Other Equity						
Particulars	Reserves and Surplus				Deemed Equity Contribution	Total
	Securities Premium	Revaluation Reserve	Capital Reserve	Retained Earnings		
Balance as at 31st March,2018	48,360,000	150,000,000	311,157,550	-312,560,307	-	196,957,243
Profit for the year	-	-	-	20,733,261	-	20,733,261
Other Comprehensive Income for the Year	-	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	20,733,261	-	20,733,261
Preference Dividend	-	-	-	-9,500	-	-9,500
Dividend Distribution Tax	-	-	-	-1,952	-	-1,952
Recovered against payments to secured lenders and structural changes in property, plant and equipments	-	-	-315,000	-	-	-315,000
Balance as at 31st March,2019	48,360,000	150,000,000	310,842,550	-291,838,498	-	217,364,052
Balance as at 1st April,2019	48,360,000	150,000,000	310,842,550	-291,838,498	-	217,364,052
Profit for the year	-	-	-	1,066,172	-	1,066,172
Other Comprehensive Income for the Year	-	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	1,066,172	-	1,066,172
Recovered against payments to secured lenders and structural changes in property, plant and equipments	-	-	-3,455,035	-	-	-3,455,035
Deemed Equity Contribution	-	-	-	-	50,936,280	50,936,280
Balance as at 31st March,2020	48,360,000	150,000,000	307,387,515	(290,772,326)	50,936,280	265,911,469

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Loonia & Associates
Chartered Accountants
Registration No. 130883W

Hitesh Loonia
Proprietor
M No 135424
Place - Ahmedabad
Date - 29th June,2020

Gautamchand Surana
Managing Director

Kartik Jain
Chief Financial Officer

For and on behalf of the Board

Sanjaykumar Majethia
Director

Vinod Rana
Company Secretary

PREMIER SYNTHETICS LIMITED

Cash Flow statement for the year ended 31st March 2020

	March 31,2020	(Amount in Rs) March 31,2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	10,66,172	2,07,33,261
Adjusted for:		
Depreciation	72,62,978	64,12,393
(Profit) Loss on Sale of Fixed Assets	13,00,000	38,85,000
Interest income earned	(5,40,265)	(4,59,715)
Finance Cost	11,23,674	8,02,057
Operating Profit before working capital changes	1,02,12,559	3,13,72,996
Adjusted for:		
Trade and other receivables	2,35,71,976	(4,03,72,770)
Inventories	92,79,743	38,76,724
Trade and others Payables	(43,03,893)	(66,34,619)
Cash Generated from Operations	3,87,60,385	(1,17,57,669)
Adjusted for:		
Direct Tax Refund (Net of Payment)	-	-
Net Cash from Operating activities	3,87,60,385	(1,17,57,669)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/Sale of Fixed Assets (Net)	(6,71,065)	(1,08,75,464)
Net Cash Flow from Investing Activities	(6,71,065)	(1,08,75,464)
C. Cash Flow from Financing activities:		
Borrowings (Net)	(3,39,95,136)	2,26,46,336
Recovered against payments to secured lenders and structural changes in property, plant and equipments	(34,55,035)	(3,15,000)
Preference Dividend (Including Dividend Distribution Tax)	-	(11,452)
Finance Cost	(11,23,674)	(8,02,057)
Interest earned	5,40,265	4,59,715
Net cash from Financing Activities	(3,80,33,580)	2,19,77,542
Net Increase/(Decrease) in cash	55,740	(6,55,591)
Opening Balance of Cash & Cash equivalents	4,03,669	10,59,260
Closing Balance of Cash & Cash equivalents	4,59,409	4,03,669

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Loonia & Associates

Chartered Accountants

Registration No. 130883W

Hitesh Loonia

Proprietor

M No 135424

Place - Ahmedabad

Date - 29th June,2020

For and on behalf of the Board

Gautamchand Surana
Managing Director

Sanjaykumar Majethia
Director

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Chief Financial Officer

Vinod Rana
Company Secretary

“1” SIGNIFICANT ACCOUNTING POLICES:

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

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

COMPANY INFORMATION / OVERVIEW

Premier Synthetics Limited (the “Company”) is a public limited company domiciled in India. The Company was incorporated on 09 October 1970 under the provisions of the Company’s Act, 1956. The Company’s registered office is at Surana House, B/h. Klassic Chambers, Near Swastik Char Rasta, Navrangpura, Ahmedabad 380009. The shares of the company are listed on BSE Limited (BSE). The Company is engaged in the business of manufacturing of Cotton Yarn.

STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) prescribed under section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment Rules issued thereafter.

The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

The financial statements were authorized for issue by the Company's Board of Directors on 29th June, 2020.

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortized cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities

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

These Financial Statements are presented in Indian Rupees (₹), which is also the Company’s functional currency and all values are rounded to the nearest rupees, except when otherwise indicated.

The Company follows the mercantile system of accounting and recognizes incomes and expenditures on accrual basis. The accounts are prepared on historical cost basis, as a going concern, and are consistent with accounting principles generally accepted in India.

The statement of cash flows has been prepared under indirect method.

USE OF ESTIMATES

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

PROPERTY, PLANT & EQUIPMENT

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Advances paid towards the acquisition of Property, Plant & Equipment outstanding at each reporting date is classified as Capital advances under Other Non –Current Assets and assets which are not ready for intended use as on the date of Balance sheet are disclosed as “Capital Work in Progress.”

Depreciation on Property, Plant & Equipment is charged on Straight Line Method. Depreciations are charged over the estimated useful lives of the assets as specified in Schedule II of the Companies Act, 2013. Depreciation in respect of additions to/and deletion from assets has been charged on pro-rata basis from/till the date they are put to commercial use.

IMPAIRMENT OF ASSETS

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Impairment loss, if any, is provided to the extent, the carrying amount of non-financial assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the net present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased, basis the assessment a reversal of an impairment loss of an asset is recognized in the Statement of Profit and Loss.

FOREIGN CURRENCY TRANSACTIONS

Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are reinstated at the end of accounting period. Exchange differences on reinstatement of all monetary items are recognized in the Statement of Profit and Loss.

INVENTORIES

Inventories are valued at lower of cost and net realizable value. Cost of inventories comprises of purchase cost and other costs incurred in bringing the inventory to present location and condition which includes appropriate share of overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks (other than deposits pledged with government authorities and margin money deposits) with an original maturity of three months or less.

CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions: Provisions are recognized when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities : Contingent liabilities are not provided for in the books but are disclosed by way of notes in the financial statements 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 will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent Assets are neither recognized nor disclosed in the financial statements.

RELATED PARTY TRANSACTIONS

Related party transactions are transfer of resources or obligations between related parties, regardless of whether a price is charged. Parties are considered to be related, if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial or operating decisions. Parties are considered to be related if they are subject to common control or common significant influence.

REVENUE RECOGNITION

Revenue is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Sale of Goods:

Revenue from sales is recognized when the substantial risks and rewards of ownership of goods are transferred to the buyer and the collection of the resulting receivables is reasonably expected. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Interest income:

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (assets which require substantial period of time to get ready for its intended use) are capitalized as part of the cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

TAXATION

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the relevant prevailing tax laws.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities

representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

EARNINGS PER SHARE (EPS)

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax (and include post tax effect of any extraordinary items.) The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

EMPLOYEE BENEFITS

Staff benefits arising out of retirement/death comprising contributions to Provident Fund, Gratuity Scheme and other post separation benefits are accounted for on the basis of the schemes or by an independent actuarial valuation at the year-end as the case may be.

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

FINANCIAL INSTRUMENTS

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

FINANCIAL ASSETS

Initial recognition and measurement

All financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

❖ Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- **Financial assets at amortized cost**

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment are recognized in the Statement of Profit and Loss.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

These assets are subsequently measured at fair value through other comprehensive income (OCI). Changes in fair values are recognized in OCI and on de-recognition, cumulative gain or loss previously recognized in OCI

is reclassified to the Statement of Profit and Loss. Interest income calculated using EIR and impairment loss, if any, are recognized in the Statement of Profit and Loss.

- **Financial assets at fair value through profit or loss (FVTPL)**

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognized in the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for managing for financial assets.

De-recognition

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

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

Any gain or loss on de-recognition is recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, lease receivable, trade receivable other contractual rights to receive cash or other financial assets. For trade receivable, the Company measures the loss allowance at an amount equal to life time expected credit losses. Further, for the measuring life time expected credit losses allowance for trade receivable the Company has used a practical expedient as permitted under Indian AS 109. This expected credit loss allowance is computed based on provisions, matrix which takes into account historical credit loss experience and adjusted for forward looking information.

FINANCIAL LIABILITIES

Initial recognition and measurement

All financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at amortized cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables they are initially recognize at fair value and subsequently, these liabilities are held at amortized cost, using the Effective interest method.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in Statement of Profit and Loss. Any gain or loss on de-recognition is also recognized in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on subsequently different terms, or the terms of an existing liability are subsequently modified, such an exchange or modification is treated as the de-

recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amount is recognize in the Statement of Profit & Loss.

Offsetting of financial instruments

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

NEW AND AMENDED STANDARDS ADOPTED BY THE COMPANY

(i) 'Ind AS 12 - Income Taxes - Appendix C, Uncertainty over Income Tax Treatments:-

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit/loss, tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 if any without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

(ii) 'Amendment to Ind AS 12 – Income taxes

The amendment relating to income tax consequences of dividend clarify that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. The adoption of the standard did not have any material impact to the financial statements. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend in accordance with Ind AS 12.

STANDARDS ISSUED BUT NOT EFFECTIVE

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.

PREMIER SYNTHETICS LIMITED
"2" Property, Plant & Equipment

PARTICULARS	Amount in Rs									
	FREEHOLD LAND	FACTORY BUILDING	PLANT & MACHINERY	ELECTRIC INSTALLATION	FURNITURE & FITTINGS	OFFICE EQUIPMENTS	COMPUTER	AIR CONDITIONER	TOTAL TANGIBLE ASSETS	
Gross Carrying Amount as at March 31,2018	153,185,086	77,895,300	82,389,860	634,531	2,177,760	511,371	286,886	334,245	317,415,039	
Additions	-	-	7,285,933	-	-	-	-	19,531	7,305,464	
Disposals	-	-	315,000	-	-	-	-	-	315,000	
Gross Carrying Amount as at March 31,2019	153,185,086	77,895,300	89,360,793	634,531	2,177,760	511,371	286,886	353,776	324,405,503	
Additions	-	-	2,826,100	-	-	-	-	-	2,826,100	
Disposals	-	-	5,743,223	-	-	-	-	-	5,743,223	
Gross Carrying Amount as at March 31,2020	153,185,086	77,895,300	86,443,670	634,531	2,177,760	511,371	286,886	353,776	321,488,380	
Accumulated Depreciation/ Amortization and Impairment										
Balance as at March 31,2018	-	49,272,897	17,396,819	187,462	1,999,848	306,855	57,708	48,106	69,269,695	
Depreciation for the year	-	2,601,704	3,677,721	30,140	19,444	19,146.00	46,504	17,734	6,412,393	
Depreciation on Disposals	-	-	-	-	-	-	-	-	-	
Balance as at March 31,2019	-	51,874,601	21,074,540	217,602	2,019,292	326,001	104,212	65,840	75,682,088	
Depreciation for the year	-	2,601,703	4,535,255	30,140	18,022	14,394.00	44,785	18,679	7,262,978	
Depreciation on Disposals	-	-	2,288,188	-	-	-	-	-	2,288,188	
Balance as at March 31,2020	-	54,476,304	23,321,607	247,742	2,037,314	340,395	148,997	84,519	80,656,878	
Net Carrying Amount										
As at March 31,2020	153,185,086	23,418,996	63,122,063	386,789	140,446	170,976	137,889	269,257	240,831,502	
As at March 31,2019	153,185,086	26,020,699	68,286,253	416,929	158,468	185,370	182,674	287,936	248,723,415	

"3" **Deferred Tax Assets (Net)**

	As At		As At	
	31.03.2020		31.03.2019	
	Rs.		Rs.	
Deferred Tax Assets				
On Unabsorbed Depreciation	57,500,000			57,500,000
Deferred Tax Liabilities				
On Deemed Equity Contribution	(17,896,530)			
	39,603,470			57,500,000

"4" **Non Current Loans**

Unsecured, considered good				
Deposits with Govt. Authorities & Others	8,414,592		7,992,835	
		8,414,592		7,992,835

"5" **Other Non Current Assets**

Preliminary Expenses to the extent not Written off	-		209,120	
		-		209,120

"6" **Inventories**

(As taken, valued & certified by the Management)				
Raw- Materials	16,726,037		27,857,058	
Work - in -progress	1,420,478		2,253,135	
Finished Goods (At lower of cost and net realizable value)	10,760,247		3,742,153	
Waste & Reprocessed Waste	723,466		2,906,140	
Stores, Spare Parts & Packing Materials	3,477,325		5,628,810	
		33,107,553		42,387,296
The above includes Goods in transit as under:				
Raw- Materials	-		620,688	

"7" Trade Receivables

		As at 31.03.2020		As at 31.03.2019
Unsecured, considered good:				
(i) Outstanding for a period exceeding 6 months from the date they are due for payment	-		-	
(ii) Others	93,455,463		112,095,346	
		93,455,463		112,095,346

"8" Cash and cash equivalents

Balances with Bank				
- In Current Accounts	135,268		59,052	
Cash on hand	324,141		344,617	
		459,409		403,669

"9" Loans

Unsecured, considered good				
Advances recoverable in cash or in kind for value to be received				
Others	1,413,258		1,343,258	
		1,413,258		1,343,258

"10" Other Current Assets

Unsecured, considered good				
Deposits with Govt. Authorities - GST	1,861,702		2,643,653	
Advance to Suppliers	757,403		5,090,034	
Prepaid Expenses	89,217		253,470	
		2,708,322		7,987,157

"11" Income Tax Assets

Unsecured, considered good				
Tax deducted at source receivable	1,359,505		1,295,399	
		1,359,505		1,295,399

"12" Equity Share Capital				
Equity Shares of Rs.10 each	Number of Shares	Amount	Number of Shares	Amount
Authorised	10,000,000	100,000,000	10,000,000	100,000,000
Issued, Subscribed & Fully paid up	4,593,200	45,932,000	4,593,200	45,932,000
(a) Reconciliation of Number of Shares	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the Year	4,593,200	45,932,000	4,593,200	45,932,000
Issued During the Year	-	-	-	-
Balance as at the end of the Year	4,593,200	45,932,000	4,593,200	45,932,000
(b) Details of Shareholder holding more than 5% of the share capital : Equity Shares				
Gautamchand K. Surana	1,059,870	23.07	1,059,870	23.07
Vikram A. Sanghvi	233,860	5.09	233,860	5.09
Rajiv G. Bansal	327,720	7.13	327,720	7.13
Sanjay V. Majethia	584,650	12.73	584,650	12.73
Sunny Sunil Singhi	324,600	7.07	324,600	7.07

(c) Rights, preferences and restrictions attached to shares :-

The Company has only one class of equity shares having par value of ₹ 10 each and the holder of the equity share is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

"13" Other Equity

	As At 31.03.2020 Rs.		As At 31.03.2019 Rs.	
Securities Premium Account				
Balance as per last Balance Sheet	48,360,000		48,360,000	
Add: Addition pursuant to issue of shares	-		-	
Balance as at the end of the year		48,360,000		48,360,000
Revaluation Reserve				
Balance as per last Balance Sheet	150,000,000		150,000,000	

Add: Addition	-		-	
Balance as at the end of the year		150,000,000		150,000,000
Capital Reserve				
Balance as per last Balance Sheet	310,842,550		311,157,550	
Add: Recovered against payments to secured lenders and structural changes in property, plant and equipments	(3,455,035)		(315,000)	
Balance as at the end of the year		307,387,515		310,842,550
Deemed Equity Contribution				
Balance as per last Balance Sheet	-		-	
Add: Addition	68,832,810		-	
Less: Deletion on account of tax expense	17,896,530			
Balance as at the end of the year		50,936,280		-
Retained Earnings				
Balance as per last Balance Sheet	(291,838,498)		(312,560,307)	
Add: Profit for the year	1,066,172		20,733,261	
	(290,772,326)		(291,827,046)	
Less: Preference Dividend	-		(9,500)	
Less: Dividend Distribution Tax	-		(1,952)	
	-		(11,452)	
Balance as at the end of the year		(290,772,326)		(291,838,498)
Total		265,911,469		217,364,052

Equity component of compound financial instruments:					
(i) Details of authorized, issued, subscribed and paid-up capital					
0.01% Non Convertible Share of Rs.100 each	0.01% Non Cumulative Redeemable Preference	Number of Shares	Amount	Number of Shares	Amount
		2,000,000	200,000,000	2,000,000	200,000,000
		950,000	95,000,000	950,000	95,000,000
(ii) Reconciliation of number of Preference shares outstanding at the beginning and at the end of the year is not given as there is no change in number of Preference shares and amount in above share capital from the previous year.					
(iii) Details of Share holding more than 5% Shares:-		No. of shares	% held	No. of shares	% held
Gautamchand K. Surana		949,310	99.93	949,310	99.93

(iv) Rights, preferences and restrictions attached to the preference shares

The Company has preference shares having a par value of ₹ 100/- per share. Preference shares shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013.

The Company declares and pays dividend in Indian rupees. The preference shares shall carry a preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment of capital. However, the holders of the preference shares shall be paid dividend on a non-cumulative basis.

The preference shares shall be non-participating in the surplus funds and also in the surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company.

"14" Non Current Borrowings

(i) Liability component of financial instruments	26,167,190		95,000,000
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Terms of Repayment of Non Cumulative Non Convertible Redeemable Preference Shares are set out as below:

Borrowings	Terms of Repayment
Non Cumulative Non Convertible Redeemable Preference Shares of Rs. 100/- each	Repayable in October 2035. Rate of interest 0.01% p.a.

(ii) Secured Borrowings:		Rs.		Rs.
Mortgage Loan From Banks	-		19,984,936	
		-		19,984,936
Mortgage Loan- Secured by Personal Guarantee of directors and relatives and also secured by creating charge on immovable property of guarantors.				
		26,167,190		114,984,936

15" Non Current Provisions

Provisions for employees benefits	1,729,409		2,259,024	
		1,729,409		2,259,024

"16" Trade Payables

Total outstanding dues of micro and small enterprises	-		-	
Total outstanding dues of creditors other than micro and small enterprises	13,036,215		16,960,813	
		13,036,215		16,960,813

"17"

Current Borrowings

Unsecured, repayable on Demand:				
- From Related Parties	38,311,163		43,821,363	
- From others	26,500,000		35,000,000	
		64,811,163		78,821,363

"18"

Other Current Liabilities

Other Payables *		2,705,958		2,677,570
		2,705,958		2,677,570
* Includes Statutory dues.				
(a) There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.				

"19"

Current Provisions

(i) Provisions for Preference Dividend & Tax thereon	11,452		11,452	
(i) Provisions for employees benefits	1,048,216		926,285	
		1,059,668		937,737

"20"

Revenue from Operations

As At

As At

		31.03.2020		31.03.2019
		Rs.		Rs.
a) Sale of Products (Net)		429,170,914		463,593,078
		429,170,914		463,593,078

"21"

Other Income

a) Interest income		540,265		459,715
b) Other income		-		4,802,502
c) Profit on Sale of Assets		1,300,000		3,885,000
		1,840,265		9,147,217

"22" Cost of Material Consumed

Opening Stock		30,053,418		21,304,306
Add: Purchase		322,042,002		353,795,455
		352,095,420		375,099,761
Less: Closing Stock		17,133,979		30,053,418
		334,961,441		345,046,343
% of Consumption:				
Imported		0.00%		0.00%
Indigenous		100.00%		100.00%

"23" Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade

Stock at the beginning of the year				
Waste	709,780		258,205	
Finished Goods	3,742,153		16,951,006	
Work-in-progress	2,253,135		2,901,156	
Total-A		6,705,068		20,110,367
Stock at the end of the year				
Waste	315,524		709,780	
Finished Goods	10,760,247		3,742,153	
Work-in-progress	1,420,478		2,253,135	
Total-B		12,496,249		6,705,068
(Increase) / Decrease in Stocks (A-B)		(5,791,181)		13,405,299

"24" Employees Benefits Expenses

(a) Salaries and Wages		12,535,837		11,119,872
(b) Contribution to Provident & Other Funds		734,216		429,785
(c) Employees Welfare & other Amenities		698,534		788,587
(d) Ex-gratia, Bonus and Gratuity		1,215,473		1,498,166
		15,184,060		13,836,410

"25"

Finance Cost

Interest Expenses		1,091,943		680,420
Bank Charges & Commission		31,730		121,637
		1,123,674		802,057

"26"

Other Expenses

Hank Yarn Obligation	183,937		2,436,682	
Stores & Spares Consumed	9,010,896		5,290,065	
Testing Expenses	-		3,632	
Labour & Job Charges	1,214,520		-	
Power and Fuel Charges	43,870,364		41,487,743	
Repairs to Plant & Machinery	970,216		744,105	
Packing Materials	8,960,941		10,128,306	
Sales Promotion & Advertisement Expenses	754,007		1,469,161	
Freight & Forwarding Charges	8,021,908		8,431,386	
Rates & Taxes	631,897		162,930	
Postage & Telephone	47,453		32,778	
Printing & Stationery	80,611		75,727	
Legal & Professional Charges	330,385		304,623	
Annual Listing Fees	303,750		253,750	
Other Repairs	21,700		28,080	
Sundry Expenses	1,367,817		237,234	
Insurance Premium	405,682		395,131	
Security Charges	998,451		998,197	
Auditors' Remuneration (Refer Note 26.3 below)	29,500		25,000	
		77,204,035		72,504,531
		2019-20		2018-19

"26.1" Value of Stores & Spares Consumed	Rs % of Consumption		Rs % of Consumption	
	Indigenous	6,822,655	75.72	3,628,972
Imported	2,188,242	24.28	1,661,093	31.40
	9,010,896	100.00	5,290,065	100.00

"26.2" Value of Imports on CIF Basic	Rs.		Rs.	
Stores & Spares		2,188,242		1,661,093
		2,188,242		1,661,093

"26.3" Payments to Auditors				
Statuary Audit fees		25,000		25,000
Tax Audit fees		4,500		-
Taxation Matters		-		-
		29,500		25,000

"26.4" Expenditure in Foreign Currency		2,188,242		1,661,093
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"27" Earning per Equity Shares				
1. Net Profit/(Loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders		1,066,172		20,733,261
2. Weighted Average number of equity shares used as denominator for calculating EPS		4,593,200		4,593,200
3. Basic and Diluted Earning per Share		0.23		4.51
4. Face Value per equity share (in Rs)		10.00		10.00

"28" Earning in Foreign Exchange		Nil		Nil
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"29 " No Provision for taxation has been made in view of the brought forwarded losses

"30" Related Party Disclosures under IND AS 24

Related Parties/Nature of Relationship :

Key Managerial Persons

Mr. Gautamchand K. Surana

Mr. Sanjay V. Majethia

Mr. Sachin K. Kansal

Mr. Sunny Singhi

Mr. Jayesh Rajmal Jain

Ms. Anusha Maheshwary

Nature of Transaction	Key Managerial Persons	Total
Loans and advances Accepted/(Repaid) (Net)	(5,515,000)	<i>(5,515,000)</i>
	<i>7,450,000</i>	<i>7,450,000</i>
Reimbursement of Expenses	4,800	<i>4,800</i>
	<i>11,400</i>	<i>11,400</i>

Balances as at 31st March ,2020

Loans & Advances Receipts	38,311,163	<i>38,311,163</i>
	<i>43,821,363</i>	<i>43,821,363</i>

Note : *Figures in Italic represent Previous Year's amount*

Disclosure in Respect of Material Related Party Transaction during the year

1. Reimbursement of Expenses includes - Gautamchand K Surana Rs. 4,800/- (2019 - Rs. 11,400/-)

"31" Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

Textile business is the Company's only business segment, hence the disclosure of segment wise information as required by Ind AS 108 on "Segment Reporting" is not applicable.

"32"

Financial Instruments**Amt in Rs**

Particular	Carrying Value		Fair Value	
	March 31,2020	March 31,2019	March 31,2020	March 31,2019
Financial Assets				
Amortized cost				
Trade receivables	93,455,462	112,095,346	93,455,462	112,095,346
Cash and cash equivalents	459,409	403,669	459,409	403,669
Loans and Advances (Current)	1,413,258	1,343,258	1,413,258	1,343,258
Loans and Advances (Non Current)	8,414,592	7,992,835	8,414,592	7,992,835
FVTOCI				
Investment in equity instruments	-	-	-	-
FVTPL				
Investment in equity instruments (Unquoted)	-	-	-	-
Total Assets	103,742,720	121,835,108	103,742,720	121,835,108
Financial Liabilities				
Amortized cost				
Non Current Borrowings	26,167,190	114,984,936	26,167,190	114,984,936
Current Borrowings	64,811,163	78,821,363	64,811,163	78,821,363
Trade payables	13,036,215	16,960,813	13,036,215	16,960,813
Total Liabilities	104,014,568	210,767,112	104,014,568	210,767,112

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

The following methods and assumptions were used to estimate the fair values:

i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

ii) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non- performance risk as at March 31, 2020 was assessed to be insignificant.

iii) The fair values of the unquoted equity shares, if any have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the

probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

"33" **Financial Risk Management**

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counter parties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to Bad debt is not significant. Also the Company does not enter into sales transaction with customers having credit loss history. There are no significant Credit risk with related parties of the Company. The Company is exposed to Credit risk in the event of non payment of customers. Credit risk concentration with respect to Trade Receivables is mitigated by the Company's large customer base. Adequate expected credit losses are recognised as per the assessment.

The history of Trade receivables shows an allowance for bad and doubtful debts of Rs Nil (Nil as at March 31,2019). The Company has made allowance of Rs Nil (Nil as at March 31,2019) against Trade receivable of Rs. 934.55 lacs (Rs. 1120.95 Lacs as at March 31,2019).

Bank Deposits

The company maintains its cash and cash equivalents and bank deposits with reputed and highly rated bank. Hence, there is no significant credit risk on such deposits.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non- performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash and Cash equivalents	459,409	403,669
Total	459,409	403,669

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 and March 31, 2019.

Particulars	As at	Less than 1 year	1-2 years	More than 2 years
Borrowings	March 31,2020	64,811,163		95,000,000
	March 31,2019	78,821,363		114,984,936
Trade Payables	March 31,2020	13,036,215	-	-
	March 31,2019	16,960,813	-	-
Other Financial Liabilities	March 31,2020	-	-	-
	March 31,2019	-	-	-

Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign Exchange risks arise from recognized assets and liabilities, when they are denominated in a currency other than functional currency of the company. To a limited extent, the company imports certain spare parts used in manufacturing and therefore is exposed to foreign exchange risks arising from various currency exposures. Primarily with respect to Euro. Company's exposure to foreign currency risk is very limited and Company always ensures that such exposure is within the approved limit for which company does not require to hedge through derivatives and therefore foreign currency risk is negligible.

Foreign currency sensitivity analysis

As the Foreign Currency risk is negligible and therefore foreign currency sensitivity analysis would not affect the operations of the Company.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

If interest rates had been 1% higher and all other variables were held constant, the company's profit for the year ended would have impacted in the following manner:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Increase / (decrease) in the Profit for the year	(114,000)	(72,000)

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

"34" Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows :

Particulars	March 31, 2020	March 31, 2019
Total equity attributable to the equity share holders of the company	311,843,469	263,296,052
As percentage of total capital	77.41%	57.60%
Current borrowings	64,811,163	78,821,363
Non-current borrowings	26,167,190	114,984,936
Total borrowings	90,978,353	193,806,299
As a percentage of total capital	22.59%	42.40%
Total capital (borrowings and equity)	402,821,822	457,102,351

The Company is predominantly debt financed which is evident from the capital structure table.

"35" Balances of Sundry Debtors, Creditors, Loans and Advances and transactions are subject to their confirmation.

"36" Except otherwise mentioned herein, in the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of business and the provision of all known liabilities are adequate and not in excess of the amount reasonably necessary.

"37" Event occurring after balance sheet date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements.

The Board of Directors has recommended Preference dividend of Rs. 0.01 per share for the Financial Year 2019-20, which is subject to approval by the shareholders.

"38" IMPACT OF COVID – 19

In the last week of March 2020, an outbreak situation arose in India on account of COVID-2019. The Company has considered such outbreak situation as subsequent event to the Balance Sheet date i.e., March 31, 2020 in terms of Ind AS 10 "Reporting on Event After Balance Sheet Date" and has assessed the operational and financial risk on going forward basis. In assessing the impact on the recoverability of financial and non-financial assets, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts whereby it expects to recover the carrying amounts of the assets. The Company has performed sensitivity analysis on the assumptions used on assessing the impact on the Company's operations. On overall basis, the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due, and compliance with the debt covenants, as applicable.

The impact on the operations and earnings/ cash flows of the Company due to COVID- 2019 outbreak may be different from that estimated as at date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

As a part of Estimates:

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of loans. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these condensed financial statements.

"39" Previous Year figures have been regrouped and recasted wherever necessary.

Signatures to Schedules 1 to 39

As per our report of even date

For Loonia & Associates

Chartered Accountants

Registration No. 130883W

Hitesh Loonia

Proprietor

M No 135424

Place - Ahmedabad

Date - 29th June,2020

For and on behalf of the Board

Gautamchand

Surana

Managing Director

Kartik Jain

**Chief Financial
Officer**

Sanjaykumar Majethia

Director

Vinod Rana

Company Secretary