

## Corporate Information

### DIRECTORS

Mr. Rajendra V. Agarwal - Managing Director  
Mr. Ajay V. Agarwal - Whole-Time Director  
Mr. Santkumar Agarwal  
Mr. Anupkumar Singh  
Mrs. Medha Pattanayak  
Mr. Santanu Mukherjee

### COMPANY SECRETARY

Ms. Poonam Barsaiyan

### STATUTORY AUDITORS

#### M/S. KANU DOSHI ASSOCIATES LLP

203, The Summit,  
Hanuman Road, W.E. Highway,  
Vile Parle- East, Mumbai, Maharashtra 400057

### SECRETARIAL AUDITORS

Mr. Yogesh Sharma  
Practicing Company Secretary  
B/1, Neha Apartment, Opp. Badwaik Hospital,  
L.B.S. Marg, Bhandup (West), Mumbai – 400078

### BANKERS

#### State Bank of India

Overseas Branch  
The Arcade, 2nd Floor,  
World Trade Center,  
Cuff Parade, Colaba, Mumbai – 400 005.

#### Indian Bank

386, Block No.1,  
Veer Savarkar Marg,  
Opp. Siddhivinyak Temple,  
Prabhadevi, Mumbai- 400025.

#### Bank of Baroda

Andheri West Branch,  
Khajina Mahal, 189,S V Road,  
Andheri West, Mumbai- 400058

#### Yes Bank Limited

Gr. Flr, Shri Amba Shanti Chambers,  
Opp Hotel Leela, Andheri Kurla Road,  
Andheri East Mumbai- 400059

### WORKS / OFFICE

#### Balaji Fabrics

Revenue Block No. 194 & 195,  
Kadodara Bardoli Road,  
Village Jolwa, Taluka Palsana,  
Dist. Surat, Gujarat

#### Balaji Industries

Survey No. 910/3  
Dokmandi, Village Amli,  
Silvassa, Dadra & Nagar Haveli

#### Laxmi Fab

Plot No. 58/3  
Govrment Industrial Estate  
Masat, Silvassa,  
Dadra & Nagar Haveli

#### Laxmi Garment Fabrics

Bhotika House, Plot 11/A, 3rd Floor  
5th Cross, 1st Stage,  
Peenya Industrial Area  
Bangalore

## CONTENTS

Corporate Information	1
Notice	2
Director's Report	7
Corporate Governance	27
Certification from the Management	39
Certificate from auditors regarding compliance of conditions of corporate governance	40
Independent Auditor's Report to the Members of the Company	41
Balance Sheet	46
Statement of Profit and Loss	47
Cash Flow Statement	48
Statement of changes in equity for the year ended 31st March, 2018	49
Notes to Accounts	50 to 76
Ballot Form	
Attendance Slip	
Proxy Form	

### REGISTERED OFFICE

Donear House, 8<sup>th</sup> Floor, Plot No. A-50, Road No. 1,  
MIDC, Andheri (East), Mumbai – 400 093

Shareholders are requested to bring with them the Attendance Slip as given in the annual report during the AGM.

**NOTICE** is hereby given that the Thirty Third (33<sup>rd</sup>) Annual General Meeting of the members of DONEAR INDUSTRIES LIMITED will be held on Monday, 23<sup>rd</sup> September, 2019 at 11:30 am at Donear House, 9<sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093 to transact the following business:-

**Ordinary business:**

1. To receive, consider and adopt audited standalone financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Auditor's thereon.
2. To declare dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2019.
3. To appoint a Director in place of Mr. Anupkumar Singh (DIN: 07343361) who retires by rotation and being eligible offers himself for re-appointment.

**Special Business:**

**4. Ratification of remuneration of Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2020.**

To consider and if thought fit, to pass with or without modifications, the following resolutions as **Ordinary Resolutions**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s. Y. R. Doshi & Co., Cost Accountant, Mumbai (Membership No. 3286) be and are hereby appointed as Cost Auditors of the Company for financial year ending 31<sup>st</sup> March, 2020 at a remuneration of Rs. 1,25,000/- (Rupees One lakh Twenty Five Thousand Only) plus taxes as applicable and out of pocket expenses as approved by the Board of Directors of the Company to conduct the Cost audit of the Companies Textile manufacturing unit at Surat and Silvassa.”

**5. Re-appointment of Mr. Santkumar Agarwal (DIN: 00153607) as an Independent Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Santkumar Agarwal (DIN: 00153607) who was appointed as an Independent Director of the Company for a term of five years by the members at the 28<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2014, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a term of two consecutive years commencing from 10<sup>th</sup> August, 2019 to 9<sup>th</sup> August, 2021, not liable to retire by rotation.

**6. Approval of Material Related Party Transactions.**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to the provisions of the Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the members of the Company be and is hereby accorded to the Board of Directors (including its committee thereof), to ratify/ approve all existing contracts / arrangements /agreements entered into/to be entered by the Company with the Companies in which some of the Directors and their relatives are interested and hence related parties within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten percent of the annual standalone turnover of the Company as per audited financial statements of F.Y. 2018-19; having the following details and as per the Explanatory Statement annexed hereto;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms and conditions thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an ongoing basis as may be required in its absolute discretion pursuant to the above resolutions.”

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013**

**Item No. 4**

Pursuant to Section 148 of the Companies Act, 2013 and Rules 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint a cost accountant in practice and fix the remuneration on the recommendations of the Audit Committee. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of directors and ratified by the shareholders.

The Board of Directors at its meeting held on 30<sup>th</sup> May, 2019 upon the recommendation of Audit Committee subject to approval of the members on the remuneration to be paid to the cost auditor, approved the appointment of M/s. Y. R. Doshi, Cost accountants, Mumbai for conducting cost audit of the Company's textile manufacturing units at Silvassa and Surat on a remuneration of Rs. 1,25,000/- (One Lakh Twenty Five Thousand only) plus reimbursement of actual out of pocket expenses incurred for the financial year ending 31<sup>st</sup> March, 2020.

The remuneration payable to cost auditors for the financial year ending 31<sup>st</sup> March, 2020 has to be ratified by the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at item No. 4 of the Notice.

**Item No. 5:**

Mr. Santkumar Agarwal (DIN: 00153607) was appointed as a Director on 22<sup>nd</sup> January, 2003. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, members of the Company at the 28<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2014 approved the appointment of Mr. Santkumar Agarwal as an Independent Director of the Company for a period of 5 years.

As per the provisions of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

The Company has received intimation in Form DIR-8 from Mr. Santkumar Agarwal (DIN: 00153607) that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

The resolution seeks the approval of members for the re-appointment of Mr. Santkumar Agarwal (DIN: 00153607) as an Independent Director of the Company commencing from 10<sup>th</sup> August, 2019 to 9<sup>th</sup> August, 2021 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Santkumar Agarwal fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Mr. Santkumar Agarwal, the Board of Directors at its meeting held on 10<sup>th</sup> August, 2019 approved the continuance of office of Mr. Santkumar Agarwal as mentioned in the resolution.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except Mr. Santkumar Agarwal, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

Board recommends the resolution set-forth in Item No. 5 for approval of the members, by way of Special Resolution.

## Item No. 6:

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014 the Company is required to obtain consent of the Board and prior approval of the members by resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on an arm's length basis.

However, pursuant to regulation 23(4) of SEBI LODR, 2015, approval of the shareholders through Ordinary Resolution is required for all 'material' related party transactions (RPT) even if they are entered into in the ordinary course of business on an arm's length basis. For this purpose, a RPT will be considered 'material' if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual turnover of the Company as per the last audited financial statements of the Company.

During the Financial year 2018-19, the RPT may exceed 10% of the total turnover of the Company with the following and other parties in which some of the Directors and their relatives interested:

Sr. No.	Name of Party
1	Lotus Fabrics
2	Mercury Industries
3	Neptune Fabs
4	Venus Textiles
5	GBTL Limited
6	OCM Private Limited
7	R. AjayKumar Real Estate LLP

Since some of the above transactions are not fixed for any particular term, it is not possible for the Company to ascribe an explicit monetary value to such transactions. However, approval of the Audit Committee and/or Board, wherever required, shall be obtained in terms of the provisions of the Companies Act, 2013 and Listing Regulations.

The approval of the shareholders is being sought by way of an ordinary resolution for the proposed material related party transactions.

The contracts/ arrangements /transactions with the above entities are necessary in the ordinary course and have a significant role in the Company's operations. Therefore, the Board of Directors commends the resolution as set out at item no. 6 for approval of shareholders as an Ordinary Resolution.

Except Mr. Rajendra Agarwal and Mr. Ajay Agarwal, none of the other directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at item No. 6 of the Notice.

By Order of the Board of Directors  
For **Donear Industries Limited**

**Poonam Barsaiyan**  
**Company Secretary**

Mumbai, 10<sup>th</sup> August, 2019

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.
2. The instrument appointing the proxy should be deposited with the Registered Office of the company not less than 48 hours before the commencement of the meeting.
3. Members are requested to intimate any change in their address to the Registrar and Transfer Agents of the Company at the following address:  
LINK INTIME INDIA PVT LTD  
C-101,247 PARK, L.B.S. MARG,  
VIKROLI (WEST), MUMBAI – 400 083
4. The Register of members and share Transfer Register will remain closed from 17<sup>th</sup> September, 2019 to 23<sup>rd</sup> September, 2019 (both days inclusive).
5. Dividend, if declared at the AGM will be paid on or after 27<sup>th</sup> September, 2019, in respect of shares held in physical form to those members whose names appear on the Register of Members of the Company as on close of business hours on 16<sup>th</sup> September, 2019 and in respect of shares held in electronic form to those 'Deemed Members' whose names appear in the statement of beneficial ownership furnished by the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd.(CDSL) as on that date.
6. Shareholders are requested to inform their Bank Account Numbers, Name and address of the Bank/Branch so that the same can be incorporated with their names in dividend warrants to avoid fraudulent encashment.
7. Members who hold shares in dematerialized form are requested to bring their ID & DPID numbers for easy identification of attendance at the meeting.
8. Shareholders seeking any information with regards to audited accounts are requested to write to the Company at least 10 days in advance so as to keep the information ready.
9. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs. Members are requested to provide their e-mail address through SMS along with DP ID/Client Id to and ensure that the same is also updated with their respective DP for their demat account(s). The registered e-mail address will be used for sending future communications.
10. Members may note that the company has to transfer the dividends which remain unclaimed/unencashed over a period of 7 years to Investor Education and Protection Fund (IEPF) U/S 125 of the Companies Act, 2013. The details of dividend paid by the Company and respective due dates of transfer to the said Fund of the Central Governments, which remain unencashed, are as under:

Date of Declaration	Dividend for the year	Due date for transfer to the Government
22-09-2012	2011-2012	22 <sup>nd</sup> October, 2019
28-09-2013	2012-2013	28 <sup>th</sup> October, 2020
24-09-2014	2013-2014	24 <sup>th</sup> October, 2021
26-09-2015	2014-2015	26 <sup>th</sup> October, 2022
24-09-2016	2015-2016	24 <sup>th</sup> October, 2023
23-09-2017	2016-2017	23 <sup>rd</sup> October, 2024
29-09-2018	2017-2018	29 <sup>th</sup> October, 2025

Shareholders are advised to send the unencashed dividend warrants to the Registered Office of the company for revalidation and encash them before the due date for transfer to the Central Government.

In terms of the provisions of Section 125 of the Companies Act, 2013, the amount of dividend remaining unclaimed for a period of seven years is required to be transferred to Investor Education and Protection Fund and in compliance thereof the Company had transferred unclaimed dividend amount for the financial years upto 2010-2011 to the Investor Education and Protection Fund (IEPF) set up by the Central Government and now no claim in respect thereof lies either against the Company or the Fund. The unclaimed or unpaid dividend which have already been transferred or the shares which are transferred, if any, can be claimed back by the Members from IEPF Authority by following the procedure given on its website i.e. <http://iepf.gov.in/IEPFA/refund.html>.

As mandated by the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the Company) Rules, 2013, the particulars of the shareholders whose dividend amounts have remained unpaid for the financial years 2011-2012 onwards are made available on website of the Company i.e. [www.doneyar.com](http://www.doneyar.com). The said details are also available on the portal of Investor Education and Protection Fund at [www.iepf.gov.in](http://www.iepf.gov.in). Shareholders who have not encashed dividend warrants for the aforesaid period are requested to write to the Company/ RTA to claim unpaid amounts.

**11. Re-appointment of Director:**

Details of Director seeking re-appointment at the forthcoming Annual General Meeting on 23<sup>rd</sup> September, 2019 (in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

- a) Mr. Anupkumar Singh retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment

Name of the Director	Mr. Anupkumar Singh
Date of Birth	02-02-1975
Date of appointment	24-09-2016
Nature of his expertise in specific functional areas	He has sound technical knowledge, defined new standards in the field of fabric manufacturing.
List of other listed entities companies in which directorships/ membership of Committee held	None
Disclosure of relationships between directors inter-se	Nil
Shareholding	Nil

- b) Re-appointment of Mr. Santkumar Agarwal (DIN: 00153607) as an Independent Director of the Company for the term commencing from 10<sup>th</sup> August, 2019 to 9<sup>th</sup> August, 2021:

Name of the Director	Mr. Santkumar Agarwal
Date of Birth	07-03-1943
Date of appointment	24-09-2014
Nature of his expertise in specific functional areas	Experience in Business, Finance and share broking
List of other listed entities companies in which directorships/ membership of Committee held	None
Disclosure of relationships between directors inter-se	None
Shareholding	13550

## 12. Voting through electronic means

In Compliance with the Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Donear Industries Limited ("the Company") is pleased to offer e-voting facility as an alternate to the postal ballot to all the shareholders of the Company. For this purpose, the Company has entered into an agreement with Right2Vote Infotech Private Limited (Right2Vote) for facilitating e-voting to enable the shareholders to cast their votes electronically instead of dispatching duly filled postal ballot forms. E-voting is optional.

### In case of members receiving e-mail:

- i) Log on to the e-voting website <https://right2vote.in/login/>
- ii) Enter your registered email ID as User ID. Use the same email ID as registered with your Dmat account. You will get a separate invite mail on this ID from [contact@right2vote.in](mailto:contact@right2vote.in)
- iii) Press GET OTP. One Time Password (OTP) would be delivered on your registered email ID. Enter the OTP to log in. OTP is valid for 30 minutes.
- iv) Once you log in, you would see Donear Industries Limited poll listed there with the company logo. Click on > symbol to vote.
- v) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. The page will also display the number of shares you hold. Select the option YES or NO as desired. Fill the number of your shares against the option of your choice. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- vi) After selecting the resolution you have decided to vote on, click on "DONE".
- vii) Once you press "DONE" your vote would be recorded, you will not be allowed to modify your vote.
- viii) You will get a receipt on your email. You can also take out print of the voting done by you by clicking on 'my vote record' on my 'poll invite page'. option on the Voting page.
- ix) In case you have any queries or issues regarding e-voting, you may write an email to [contact@right2vote.in](mailto:contact@right2vote.in)
- x) The voting rights of shareholders shall be in proportion to their shares of the paid up capital of the Company as on the cutoff date of 16<sup>th</sup> September, 2019.

### In case of members receiving the Physical copy:

- a) Please follow all steps from sl. no. (i) to sr. no. (x) above to cast vote.
- b) The voting period begins on 20<sup>th</sup> September, 2019 at 09:00 a.m. and ends on 22<sup>nd</sup> September, 2019 at 5.00 p.m. During this period shareholders of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date 16<sup>th</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by Right2Vote for voting thereafter.
- c) In case you have any queries or issues regarding e-voting, write an email to [contact@right2vote.in](mailto:contact@right2vote.in) or contact on +91 9920591306.
- d) The voting rights of shareholders shall be in proportion to their shares of the paid up capital of the Company as on the cutoff date i.e. 16<sup>th</sup> September, 2019.
- e) Mr. Yogesh Sharma, Practising Company Secretary (C.P.No. 12366) has been appointed as scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- f) As the voting of the Members is through electronic means, the members who do not have access to e-voting, may requisite a Physical Ballot form from the Registered office of the Company. You are required to fill in the ballot form and enclose it in sealed envelope and send it the scrutinizer so as to reach the Scrutinizer not later than 22<sup>nd</sup> September, 2019 at 5.00 p.m. Ballot Form received after this date will be treated as invalid. The Scrutinizer's decision on the validity of the forms will be final. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- g) The Scrutinizer shall within a period not exceeding 2 (two) working days from the conclusion of the e-voting period unlock the votes in the presence of atleast two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favor or against, if any, forthwith forward to the Chairman of the Company.
- h) The results declared along with the scrutinizers report shall be placed on the Company's website [www.donear.com](http://www.donear.com) and on the website of Right2Vote (<https://right2vote.in/>) within 2 (two) days of passing of the resolutions.

By Order of the Board of Directors  
For **Donear Industries Limited**

**Poonam Barsaiyan**  
**Company Secretary**

*Mumbai, 10<sup>th</sup> August, 2019*

**Registered Office:**  
Donear House, 8<sup>th</sup> floor,  
Plot No. A-50, Road No. 1,  
MIDC, Andheri (East),  
Mumbai – 400 093

## DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the Thirty Third (33<sup>rd</sup>) Annual Report and the audited financial statements for the financial year ended 31<sup>st</sup> March, 2019.

### Financial Highlights

The table given below gives the financial highlights of the Company on standalone basis for the year ended 31<sup>st</sup> March, 2019 as compared to the previous financial year.

	(Amt in Lakhs)	
Financial Results	2018-19	2017-18
Gross Revenue	59,694.26	51,689.39
Profit for the Year	1,418.41	1,320.51
Add: Balance Brought Forward	8,826.50	7,627.90
Less: Proposed Final Dividend	104.00	104.00
Less: Dividend Distribution Tax	21.17	21.17
Add: Remeasurements of Defined Benefit Plan	(3.27)	3.26
Balance Carried forward	10,116.46	8,826.50

### Dividend:

The Directors have recommended a dividend @ Rs. 0.20 Paise per equity share of Rs. 2/- each for the approval of Shareholders at the ensuing Annual General Meeting.

### Management Discussion and Analysis:

#### Global Textile Industry Overview:

The global textile market size was valued at USD 925.3 billion in 2018 and is expected to register a CAGR of 4.24% over the forecast years. This growth is attributed to the high demand for apparels, particularly in the developing economies including India, China, Bangladesh, and Mexico, as a result of growing population. Moreover, rising disposable income levels and rapid urbanization in these countries have led to the increased number of retail outlets and supermarkets; thereby, supporting overall market growth.

#### Indian Textile Industry Overview:

India is the world's second-largest exporter of textiles and apparels, with a massive raw material and manufacturing base. The textile industry is a significant contributor to the economy, both in terms of its domestic share and exports. It contributes about seven per cent to industry output, two per cent to the GDP and 15 per cent to the country's total exports earnings. The sector is one of the largest sources of job creation in the country, employing about 45 mn people directly.

The Indian textile and apparel market was worth \$ 90 bn in 2017. The market is further projected to reach \$198 bn by 2023, at a CAGR of around 14 per cent during 2018-2023. India is the second largest textile exporter in the world. India's share in global trade of textiles and apparels is approximately 6 per cent. Today, the textile and apparel market has become a vital contributor to the Indian economy. The apparel export has seen a positive trend from November 2018 onwards.

#### Government Initiatives:

To promote exports of readymade garments and made-ups, Government of India increased Merchandise Export from India Scheme (MEIS) rates from 4 to 6 per cent under the Mid- Term Review of Foreign Policy 2015-20. The Government also launched a special package to boost investment, employment, and exports in the garments and made-up sector. The special package was designed to create upto one cr jobs, and boost exports by \$31 bn and attract investment of Rs. 80,000 cr in 3 years. So far, it has generated additional exports of Rs. 5,728 cr and additional investments of Rs. 25,345 cr.

The government has been implementing various policy initiatives and programmes for development of textiles and handicrafts, particularly for technology, infrastructure creation, skill development, including:

- PowerTex India Scheme
- Scheme for Integrated Textile Parks
- SAMARTH- scheme for capacity building in Textile Sector
- Silk Samagra- integrated silk development scheme
- North Eastern Region Textile Promotion Scheme (NERTPS)
- National Handicraft Development Programme (NHDP)
- Comprehensive Handicrafts Cluster Development Scheme (CHCDS).
- Technology Up-gradation Fund Scheme (TUFS) for training workforce and to encourage private investment in the Indian textile and apparel industry.
- Amended Technology Up-gradation Funds Scheme (ATUFS) for in providing best manufacturing and infrastructure to local artisans, technology and innovation, enhancing skills and strengths of the local industry.



## **Opportunities and Threats:**

### **Opportunities**

Robust Demand- Rise in income levels is expected to drive demand in textile industry. Branded segment is growing and become a preference for customers.

Competitive advantage-India has an abundant availability of raw materials such as cotton, wool, silk and jute. It also enjoys a comparative advantage in terms of skilled manpower and in cost of production.

Policy support – 100 percent FDI (automatic route) is allowed in the Indian textile sector. To boost exports, free trade with ASEAN is allowed.

Increasing Investments – Huge investments are being made by the Government under various schemes to encourage more private equity and to train workforce.

### **Threats**

Cheaper Import of goods effects adversely to the domestic market.

Growing labours cost results in increase in the cost of production.

### **Future Outlook:**

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. Due to increase in domestic consumption and entry of several international players into the Indian markets, the retail sector has experienced a rapid growth. All this, coupled with the Government initiatives through various scheme is a fuel to future growth of overall Industry.

Our Company with its well-known Brands, modern manufacturing facilities, infrastructure, judicious capital allocation strategies and well penetrated marketing and distribution network, it will continues to work toward achieving cost efficiencies and deliver the best product to its consumers.

### **Discussion on Financial performance with respect to operational performance:**

During the financial year 2018-2019, the company has earned the Total Revenue of Rs. 59,694.26 Lakhs as compared to Rs. 51,689.39 Lakhs in 2017-2018. The Company has achieved net Profit of Rs. 1418.41 Lakhs as against a net profit of Rs. 1320.51 Lakhs in the previous year. The growth in net profit is 7.41% as against the last year. The overall performance was good.

### **Human Resource Management:**

We as HR showed a strategic and coherent approach in managing the talent and put an endeavour in employing people and developing their capacities, utilizing and maintaining their services. Our Company continuously carries out the necessary improvements to attract and retain the best talent which results in low attrition rates. The Company's policy of providing on the job training has been instrumental in developing a good work force for the Company.

### **Corporate Governance Report:**

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

### **Directors' Responsibility Statement:**

As stipulated under section 134 (3) (c) of the Companies Act, 2013, Directors confirm that:

1. In preparation of annual accounts for the year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
2. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and profit for the year ended on that date;
3. The directors 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;
4. The directors have prepared the annual accounts on a going concern basis;
5. The directors have laid down proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
6. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

### **Extract of Annual Return:**

Extract of Annual return in form MGT-9 as required under section 92 of the Companies Act 2013 is annexed as **Annexure –A** of this report. In compliance with section 134(3)(a) of the Act Form MGT– 9 is uploaded on the Company's website [www.donear.com](http://www.donear.com).

### **Deposits:**

During the financial year under report the Company has not accepted deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

### **Particulars of Loans, Guarantees and Investments:**

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



**Directors:**

**Homepage:**

Your Directors pay their respectful homage to late Shri. Vishwanath L. Agarwal, Chairman and Founder Promoter, who left for his heavenly abode on 28<sup>th</sup> November, 2018. Your Directors pay rich tribute for the inspired leadership provided by late Shri. Vishwanath L. Agarwal under whose advice, guidance and support your Company has registered continuous growth and profitability since incorporation of the Company. Late Shri. Vishwanath L. Agarwal belonged to the genre of leadership that has left indelible footprints for others to follow. His knowledge, wisdom, dedication, courage, commitment and confidence are the jewels in the crown glory of Donear. He was a great and humble leader, a respected philanthropist as well as a visionary and entrepreneur par excellence. Your Directors pray to the Almighty to grant eternal peace to his departed soul.

**Directors and Key Managerial Personnel**

During the year, Mr. Rajagopal Sivaraj and Mr. Durgaprasad Agarwal, Non-Executive Independent Directors stepped down from Board of the Company w.e.f. 14<sup>th</sup> November, 2018 and 14<sup>th</sup> February, 2019 respectively.

The Board places on record its appreciation towards valuable contribution made by them during their tenure as Directors of the Company.

Mr. Anupkumar Singh, Executive Director retires by rotation at the ensuing Annual General Meeting in terms of Section 152 of the Companies Act, 2013 and eligible for reappointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Mr. Santkumar Agarwal, Non-Executive Independent Directors who was appointed as an Independent Director of the Company for a term of five years by the members at the 28<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2014, in terms of Section 149 of the Companies Act, 2013, is re-appointed by the Board in its meeting held on 10<sup>th</sup> August, 2019 as a Non-Executive Independent Directors of the Company for a two consecutive years commencing from 10<sup>th</sup> August, 2019 to 9<sup>th</sup> August, 2021, not liable to retire by rotation.

Brief resume of Directors being appointed/ re-appointed as required by the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings are provided in the Annexure to the notice convening the Annual General Meeting of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2019 are: Mr. Rajendra Agarwal-Managing Director, Mr. Ajay V. Agarwal-Whole Time Director, Mr. Ashok Agarwal- Chief Financial Officer and Mr. Shreedhar H., Company Secretary of the Company up to 1<sup>st</sup> May, 2019 (Ms. Poonam Barsaiyan-Company Secretary w.e.f 30<sup>th</sup> May, 2019)

**Number of Meetings of the Board:**

The Board of Directors met 5(five) times during the year on 30<sup>th</sup> May 2018, 14<sup>th</sup> August 2018, 14<sup>th</sup> November 2018, 5<sup>th</sup> December 2018 and 14<sup>th</sup> February 2019, the details of which are provided in the Corporate Governance Report.

**Committees of the Board:**

The Board of Directors has the following committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The details of the Committees along with their compositions, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report.

**Board Evaluation:**

Pursuant to the provisions of the Act and the Listing Regulations, performance evaluation of the Board, its committees, Managing Director and the Independent Directors were carried out. The manner in which the evaluation is carried out has been explained in the Corporate Governance Report.

**Internal Control Systems and their adequacy:**

Internal Audit plays a key role in providing an assurance to the Board of Directors with respect to the Company having adequate Internal Financial Control Systems. The Internal Financial Control systems provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets.

**Risk Management:**

The Company has adopted a Risk Management Policy for the Company including identification therein the elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company. After identifying the risk and assessing the level of impact, controls are put in place to mitigate the risk by the concerned executives who are responsible to control the exposure of the risk and balance the impact of risk on a continuous basis.

**Related Party Transactions:**

The Audit Committee has given prior approval for all Related Party Transactions. All related party transactions that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. The particulars of contracts or arrangements with Related Parties referred to in Section 188(1) of the Act provided, in the prescribed Form AOC-2 annexed as **Annexure -B** to this Report.

The policy on Related Party Transactions as approved by the Audit Committee and Board is uploaded on the Company's website i.e. [www.donear.com](http://www.donear.com)

#### **Auditors:**

##### **Statutory Auditors**

At the 31<sup>st</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2017 the members approved the appointment of M/s. Kanu Doshi Associates LLP, Chartered Accountants, Mumbai (Firm Registration No.104746W/W100096) as Statutory Auditors of the Company to hold office from the conclusion of that Annual General Meeting till the conclusion of the 34<sup>th</sup> Annual General Meeting subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away pursuant to amendments in Section 139 of the Companies Act, 2013.

The Auditors have given their eligibility certificate in terms of Section 139 of the Companies Act, 2013.

##### **Cost Auditors:**

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has been carrying audit of cost records relating to Textile Divisions every year.

The Board of Directors, on the recommendation of the Audit Committee has appointed M/s. Y. R. Doshi & Co., (Firm Registration No. 000003), Cost Accountants, Mumbai, as Cost Auditors for undertaking Cost Audit for the financial year ending 31<sup>st</sup> March, 2020. As required under the Companies Act, 2013, a resolution seeking members approval for the remuneration payable to Cost Auditor forms part of the Notice convening Annual General Meeting for their ratification.

##### **Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made there under the Company has appointed Mr. Yogesh Sharma, a Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as **Annexure – C** of this Report.

##### **Whistle Blower Policy:**

The Company has framed Whistle Blower Policy to report genuine concerns or grievances. The same is explained in the Corporate Governance Report and the Policy is posted on the Company's website at [www.donear.com](http://www.donear.com)

##### **Compliance with secretarial standards on Board and Annual General Meetings:**

The Company has complied with Secretarial Standards (SS) 1 and 2 issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

##### **Significant or Material Orders:**

There were no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status and the Company's operations in future.

##### **Corporate Social Responsibility:**

As a part of its initiative under the 'Corporate Social Responsibility' (CSR) drive, the Company has undertaken project in the area of Promoting health care, education etc. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR Policy. The report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure - D** forming part of this report.

##### **Particulars of Employees and related disclosure:**

There are no employees drawing a monthly or yearly remuneration in excess of the limits specified by the Companies Act 2013 and Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details are annexed herewith as **Annexure-E**.

##### **Energy, Technology Absorption and Foreign Exchange:**

Information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is included in **Annexure – F**.

##### **Acknowledgement:**

Your Directors acknowledge the support and counsel extended by the bankers, government agencies, shareholders, investors, employees and others associated with the Company. The Directors look forward the same in future also.

#### **For and on behalf of Board of Directors**

**Rajendra V. Agarwal**  
Managing Director  
DIN: 00227233

**Ajay V. Agarwal**  
Whole-Time Director  
DIN:00227279

Mumbai, 10<sup>th</sup> August, 2019

## Annexure-A

**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31<sup>st</sup> March, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

CIN	L99999MH1987PLC042076
Registration Date	1 <sup>st</sup> January, 1987
Name of the Company	Donear Industries Limited
Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
Address of the Registered office & contact details	Donear House, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093 Tel. 022 -3076 8100 Fax. 022-30768313
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West) Mumbai – 400 083 Tel. 022 49186000 Fax: 022 4918 6060

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

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cotton Fabrics	5209	31.72%
2	Polyester Viscose Fabrics	5515	53.86%

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	N.A	N.A	N.A

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

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2018)				Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	29986309	40000	30026309	57.74	30478034	40000	30518034	58.69	0.94
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	8254000	0	8254000	15.87	8254000	0	8254000	15.87	0.00
	Sub Total (A)(1)	38240309	40000	38280309	73.62	38732034	40000	38772034	74.56	0.94
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group(A)= (A)(1)+(A)(2)	38240309	40000	38280309	73.62	38732034	40000	38772034	74.56	0.94

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2018)				Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	146518	0	146518	0.28	146518	0	146518	0.28	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	66528	0	66528	0.13	5350	0	5350	0.01	-0.12
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	213046	0	213046	0.41	151868	0	151868	0.29	-0.12
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh.	5834368	24081	5858449	11.26	6189241	17926	6207167	11.94	0.67
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3703120	0	3703120	7.12	3832381	0	3832381	7.37	0.25
(b)	NBFCs registered with RBI	0	0	0	0.00	90136	0	90136	0.17	0.17
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	IEPF	0	0	0	0.00	9646	0	9646	0.02	0.02
	Hindu Undivided Family	1119585	0	1119585	2.15	1148960	0	1148960	2.21	0.06
	Non Resident Indians (Non Repat)	39030	0	39030	0.07	41248	0	41248	0.08	0.00
	Non Resident Indians (Repat)	81719	0	81719	0.16	79477	0	79477	0.15	-0.00
	Clearing Member	531968	0	531968	1.02	830054	0	830054	1.59	0.57
	Bodies Corporate	2172774	0	2172774	4.18	837029	0	837029	1.61	-2.57
	Sub Total (B)(3)	13482564	24081	13506645	25.97	13058172	17926	13076098	25.15	-0.83
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	13695610	24081	13719691	26.38	13210040	17926	13227966	25.43	-0.94
	Total (A)+(B)	51935919	64081	52000000	100.00	51942074	57926	52000000	100.00	0.00
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	51935919	64081	52000000	100.00	51942074	57926	52000000	100.00	-

#### B) Shareholding of Promoter

Sr. No.	Shareholders Name	Shareholding at the beginning of the year i.e. 1 <sup>st</sup> April, 2018			Shareholding at the end of the year i.e. 31 <sup>st</sup> March, 2019			% Change in Shareholding during the year
		No. of shares held	% 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	Mr. Rahul Rajendra Agarwal	4596000	8.84	0.00	4756901	9.15	0.00	0.31
2	Mr. Rajendra V. Agarwal	3856814	7.42	0.00	3861814	7.43	0.00	0.01
3	Mr. Ajay Vishwanath Agarwal	3729500	7.17	0.00	3729500	7.17	0.00	0.00
4	Mr. Surya Ajay Agarwal	3640750	7.00	0.00	3643750	7.01	0.00	0.01
5	Mrs. Neenadevi Ajay Agarwal	2917750	5.61	0.00	2917750	5.61	0.00	0.00
6	Mrs. Bhavardevi V Agarwal	2768000	5.32	1.44	4846785	9.32	0.82	4.00
7	M/s. Donear Synthetics Limited	2600000	5.00	0.00	2600000	5.00	0.00	0.0000
8	M/s. R. Ajaykumar Real Estate LLP	2400000	4.62	0.00	2400000	4.62	0.00	0.00
9	M/s. Ajay Vishwanath Agarwal HUF	2278704	4.38	0.00	2369471	4.56	0.00	0.17

Sr. No.	Shareholders Name	Shareholding at the beginning of the year i.e. 1 <sup>st</sup> April, 2018			Shareholding at the end of the year i.e. 31 <sup>st</sup> March, 2019			% Change in Shareholding during the year
		No. of shares held	% 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	
10	Mr. Vishwanath L. Agarwal	1948291	3.75	0.00	0	0.00	0.00	-3.75
11	Mrs. Umadevi Rajendra Agarwal	1850000	3.56	0.00	1871463	3.60	0.00	0.04
12	M/s. Donear Retail Private Limited	1840000	3.54	0.00	1840000	3.54	0.00	0.00
13	M/s. Rajendra V. Agarwal HUF	1288000	2.48	0.00	1349000	2.59	0.00	0.12
14	M/s. Vishwanath L. Agarwal HUF	1152500	2.22	0.00	1152500	2.22	0.00	0.00
15	M/s. Rajendra Synthetics Private Ltd.	1040000	2.00	0.00	1040000	2.00	0.00	0.00
16	M/s. Sonia Synthetics LLP	360000	0.69	0.00	360000	0.69	0.00	0.00
17	M/s. Lav Kush Traders Private Limited	14000	0.03	0.00	14000	0.03	0.00	0.00
18	Mrs. Kavya Rahul Agarwal	0	0.00	0.00	19100	0.04	0.00	0.04
	<b>Total</b>	<b>38280309</b>	<b>73.62</b>	<b>0.00</b>	<b>38772034</b>	<b>74.56</b>	<b>0.00</b>	<b>0.95</b>

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

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year (31 <sup>st</sup> March, 2019)	
		No. of share Held	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of total shares of the Company
<b>1</b>	<b>Mr. Rahul Rajendra Agarwal</b>	4596000	8.84			4596000	8.84
	Transfer			13 Apr 2018	742	4596742	8.84
	Transfer			20 Apr 2018	1250	4597992	8.84
	Transfer			18 May 2018	30420	4628412	8.90
	Transfer			08 Jun 2018	35400	4663812	8.97
	Transfer			22 Jun 2018	89	4663901	8.97
	Transfer			30 Jun 2018	53000	4716901	9.07
	Transfer			06 Jul 2018	40000	4756901	9.15
	At the end of the year					4756901	9.15
<b>2</b>	<b>Mr. Rajendra V. Agarwal</b>	3856814	7.42			3856814	7.42
	Transfer			18 May 2018	5000	3861814	7.43
	At the end of the year					3861814	7.43
<b>3</b>	<b>Mr. Ajay V. Agarwal</b>	3729500	7.17			3729500	7.17
	At the end of the year					3729500	7.17
<b>4</b>	<b>Mr. Surya Ajay Agarwal</b>	3640750	7.00			3640750	7.00
	Transfer			25 May 2018	3000	3643750	7.01
	At the end of the year					3643750	7.01
<b>5</b>	<b>Mrs. Neenadevi Ajay Agarwal</b>	2917750	5.61			2917750	5.61
	At the end of the year					2917750	5.61
<b>6</b>	<b>Mrs. Bhavardevi Vishwanath Agarwal</b>	2768000	5.32			2768000	5.32
	Transfer			25 May 2018	32500	2800500	5.38
	Transfer			22 Jun 2018	26119	2826619	5.43
	Transfer			20 Jul 2018	5000	2831619	5.44
	Transfer			31 Aug 2018	3955	2835574	5.45
	Transfer			05 Oct 2018	43569	2879143	5.53
	Transfer			12 Oct 2018	6009	2885152	5.54
	Transfer			02 Nov 2018	3710	2888862	5.55
	Transmission			04 Jan 2019	1957923	4846785	9.32
	At the end of the year					4846785	9.32
<b>7</b>	<b>M/s. Donear Synthetics Limited</b>	2600000	5.00	No Change		2600000	5.00
<b>8</b>	<b>M/s. R. Ajaykumar Real Estate LLP</b>	2400000	4.61	No Change		2400000	4.61
<b>9</b>	<b>Mr. Ajay V. Agarwal HUF</b>	2278704	4.38			2278704	4.38
	Transfer			06 Apr 2018	43900	2322604	4.47
	Transfer			27 Apr 2018	20747	2343351	4.50
	Transfer			04 May 2018	5037	2348388	4.52
	Transfer			30 Jun 2018	5000	2353388	4.52
	Transfer			27 Jul 2018	1083	2354471	4.53

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year (31 <sup>st</sup> March, 2019)	
		No. of share Held	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of total shares of the Company
	Transfer			03 Aug 2018	14999	2369470	4.55
	Transfer			10 Aug 2018	1	2369471	4.55
	At the end of the year					2369471	4.55
10	<b>Mr. Vishwanath L. Agarwal</b>	1948291	3.75			1948291	3.75
	Transfer			06 Apr 2018	4412	1952703	3.75
	Transfer			27 Apr 2018	5220	1957923	3.76
	Transmitted			31 Dec 2018	(1957923)	0	0.00
	At the end of the year					0	0.00
11	<b>Mrs. Umadevi Rajendra Agarwal</b>	1850000	3.56			1850000	3.56
	Transfer			06 Apr 2018	21463	1871463	3.60
	At the end of the year					1871463	3.60
12	<b>M/s. Donear Retail Private Limited</b>	1840000	3.54	No Change		1840000	3.54
13	<b>M/s. Rajendra V. Agarwal HUF</b>	1288000	2.48			1288000	2.48
	Transfer			06 Apr 2018	59000	1347000	2.59
	Transfer			27 Apr 2018	2000	1349000	2.59
	At the end of the year					1349000	2.59
14	<b>M/s. Vishwanath L. Agarwal HUF</b>	1152500	2.22	No Change		1152500	2.22
15	<b>M/s. Rajendra Synthetics Private Limited</b>	1040000	2.00	No Change		1040000	2.00
16	<b>M/s. Sonia Synthetics LLP</b>	360000	0.69	No Change		360000	0.69
17	<b>M/s. Lav Kush Traders Private Limited</b>	14000	0.03	No Change		14000	0.03
18	<b>Mrs. Kavya Rahul Agarwal</b>	0	0.00			0	0.00
	Transfer			03 Aug 2018	19100	19100	0.04
	At the end of the year					19100	0.04

**D) Shareholding Pattern of top ten Shareholders : (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year i.e. (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year i.e. (31 <sup>st</sup> March, 2019)	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	Increase/ Decrease in Shareholding	No. of Shares held	% of Total Shares of the Company
1	Mrs. Manju Devi Kejriwal	631837	1.21			631837	1.21
	Transfer			06 Apr 2018	1007	632844	1.22
	At the end of the year					632844	1.22
2	Mrs. Renu Agarwal	565216	1.09			565216	1.09
3	Mr. Rajesh Suresh Agarwal	560360	1.08			560360	1.08
4	M/s. J. L. Shah Securities Pvt. Ltd.	35836	0.07			35836	0.07
	Transfer			06 Apr 2018	2000	37836	0.07
	Transfer			13 Apr 2018	(1950)	35886	0.07
	Transfer			20 Apr 2018	(50)	35836	0.07
	Transfer			27 Apr 2018	38000	73836	0.14
	Transfer			04 May 2018	1000	74836	0.14
	Transfer			25 May 2018	5000	79836	0.15
	Transfer			01 Jun 2018	2800	82636	0.16
	Transfer			08 Jun 2018	(2000)	80636	0.15
	Transfer			15 Jun 2018	50	80686	0.15
	Transfer			30 Jun 2018	(80686)	0	0.00
	Transfer			06 Jul 2018	4000	4000	0.01
	Transfer			13 Jul 2018	1500	5500	0.01
	Transfer			27 Jul 2018	1400	6900	0.01
	Transfer			03 Aug 2018	5400	12300	0.02
	Transfer			10 Aug 2018	(5882)	6418	0.01
	Transfer			17 Aug 2018	(118)	6300	0.01
	Transfer			24 Aug 2018	1000	7300	0.01



Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year i.e. (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year i.e. (31 <sup>st</sup> March, 2019)	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	Increase/ Decrease in Shareholding	No. of Shares held	% of Total Shares of the Company
	Transfer			31 Aug 2018	2000	9300	0.02
	Transfer			07 Sep 2018	6000	15300	0.03
	Transfer			14 Sep 2018	5300	20600	0.04
	Transfer			29 Sep 2018	4882	25482	0.05
	Transfer			05 Oct 2018	(5182)	20300	0.04
	Transfer			12 Oct 2018	33982	54282	0.10
	Transfer			19 Oct 2018	2930	57212	0.11
	Transfer			02 Nov 2018	700	57912	0.11
	Transfer			09 Nov 2018	8800	66712	0.13
	Transfer			16 Nov 2018	(2116)	64596	0.12
	Transfer			23 Nov 2018	(7480)	57116	0.11
	Transfer			30 Nov 2018	2102	59218	0.11
	Transfer			07 Dec 2018	1000	60218	0.12
	Transfer			14 Dec 2018	(1400)	58818	0.11
	Transfer			21 Dec 2018	(4118)	54700	0.11
	Transfer			28 Dec 2018	51551	106251	0.20
	Transfer			31 Dec 2018	(25105)	81146	0.16
	Transfer			04 Jan 2019	54674	135820	0.26
	Transfer			11 Jan 2019	(51777)	84043	0.16
	Transfer			18 Jan 2019	93872	177915	0.34
	Transfer			25 Jan 2019	(19866)	158049	0.30
	Transfer			01 Feb 2019	63069	221118	0.42
	Transfer			08 Feb 2019	(12514)	208604	0.40
	Transfer			15 Feb 2019	(7671)	200933	0.39
	Transfer			22 Feb 2019	53172	254105	0.49
	Transfer			01 Mar 2019	(591)	253514	0.49
	Transfer			08 Mar 2019	(19950)	233564	0.45
	Transfer			15 Mar 2019	(208688)	24876	0.05
	Transfer			22 Mar 2019	219659	244535	0.47
	Transfer			29 Mar 2019	42127	286662	0.55
	At the end of the year					286662	0.55
5	<b>Mr. Santosh Sitaram Goenka</b>	289989	0.56			289989	0.56
	Transfer			15 Mar 2019	(15128)	274861	0.53
	At the end of the year					274861	0.53
6	<b>M/s. Suresh Kumar Bhageria HUF</b>	245000	0.47			245000	0.47
7	<b>M/s. Global Capital Market Ltd.</b>	224526	0.43			224526	0.43
	Transfer			06 Apr 2018	1959	226485	0.43
	Transfer			13 Apr 2018	298	226783	0.44
	Transfer			20 Apr 2018	(3809)	222974	0.43
	Transfer			27 Apr 2018	(11188)	211786	0.41
	Transfer			04 May 2018	103220	315006	0.61
	Transfer			11 May 2018	(9213)	305793	0.59
	Transfer			18 May 2018	110	305903	0.59
	Transfer			25 May 2018	5847	311750	0.60
	Transfer			01 Jun 2018	(3718)	308032	0.59
	Transfer			08 Jun 2018	9948	317980	0.61
	Transfer			15 Jun 2018	(1000)	316980	0.61
	Transfer			22 Jun 2018	280	317260	0.61
	Transfer			30 Jun 2018	(10495)	306765	0.59
	Transfer			06 Jul 2018	(62653)	244112	0.47
	Transfer			13 Jul 2018	(24906)	219206	0.42
	Transfer			20 Jul 2018	(17101)	202105	0.39

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year i.e. (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year i.e. (31 <sup>st</sup> March, 2019)	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	Increase/ Decrease in Shareholding	No. of Shares held	% of Total Shares of the Company
	Transfer			27 Jul 2018	15892	217997	0.42
	Transfer			03 Aug 2018	5064	223061	0.43
	Transfer			10 Aug 2018	(4919)	218142	0.42
	Transfer			17 Aug 2018	83	218225	0.42
	Transfer			24 Aug 2018	(721)	217504	0.42
	Transfer			31 Aug 2018	(5)	217499	0.42
	Transfer			07 Sep 2018	(256)	217243	0.42
	Transfer			21 Sep 2018	18	217261	0.42
	Transfer			29 Sep 2018	(90)	217171	0.42
	Transfer			05 Oct 2018	566	217737	0.42
	Transfer			12 Oct 2018	7	217744	0.42
	Transfer			19 Oct 2018	2000	219744	0.42
	Transfer			26 Oct 2018	(400)	219344	0.42
	Transfer			02 Nov 2018	1167	220511	0.42
	Transfer			09 Nov 2018	(19)	220492	0.42
	Transfer			16 Nov 2018	86773	307265	0.59
	Transfer			23 Nov 2018	(60004)	247261	0.47
	Transfer			30 Nov 2018	(26820)	220441	0.42
	Transfer			07 Dec 2018	9381	229822	0.44
	Transfer			14 Dec 2018	(9601)	220221	0.42
	Transfer			28 Dec 2018	(700)	219521	0.42
	Transfer			04 Jan 2019	103	219624	0.42
	Transfer			11 Jan 2019	2274	221898	0.43
	Transfer			18 Jan 2019	87	221985	0.43
	Transfer			25 Jan 2019	(959)	221026	0.42
	Transfer			01 Feb 2019	(1423)	219603	0.42
	Transfer			08 Feb 2019	(1725)	217878	0.42
	Transfer			15 Feb 2019	295	218173	0.42
	Transfer			22 Feb 2019	(111)	218062	0.42
	Transfer			01 Mar 2019	(5)	218057	0.42
	Transfer			08 Mar 2019	2400	220457	0.42
	Transfer			15 Mar 2019	(2084)	218373	0.42
	Transfer			22 Mar 2019	(1320)	217053	0.42
	Transfer			29 Mar 2019	2029	219082	0.42
	At the end of the year					219082	0.42
8	<b>Mrs. Sunita Santosh Goenka</b>	216768	0.42			216768	0.42
9	<b>Mr. Deepakkumar Vishwambharial Bhageria</b>	200000	0.38			200000	0.38
10	<b>M/s. Choice Equity Broking Private Limited</b>	33030	0.06			33030	0.06
	Transfer			06 Apr 2018	(21810)	11220	0.02
	Transfer			13 Apr 2018	12499	23719	0.04
	Transfer			20 Apr 2018	7548	31267	0.06
	Transfer			27 Apr 2018	(20030)	11237	0.02
	Transfer			04 May 2018	(4937)	6300	0.01
	Transfer			18 May 2018	25974	32274	0.06
	Transfer			25 May 2018	(26164)	6110	0.01
	Transfer			01 Jun 2018	400	6510	0.01
	Transfer			08 Jun 2018	9849	16359	0.03
	Transfer			15 Jun 2018	14235	30594	0.06
	Transfer			22 Jun 2018	(19484)	11110	0.02
	Transfer			30 Jun 2018	500	11610	0.02
	Transfer			06 Jul 2018	10500	22110	0.04

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year i.e. (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year i.e. (31 <sup>st</sup> March, 2019)	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	Increase/ Decrease in Shareholding	No. of Shares held	% of Total Shares of the Company
	Transfer			13 Jul 2018	15	22125	0.04
	Transfer			20 Jul 2018	(5400)	16725	0.03
	Transfer			03 Aug 2018	(9399)	7326	0.01
	Transfer			10 Aug 2018	274	7600	0.01
	Transfer			17 Aug 2018	(300)	7300	0.01
	Transfer			24 Aug 2018	(283)	7017	0.01
	Transfer			31 Aug 2018	216	7233	0.01
	Transfer			07 Sep 2018	(1233)	6000	0.01
	Transfer			21 Sep 2018	(1000)	5000	0.01
	Transfer			05 Oct 2018	149	5149	0.01
	Transfer			12 Oct 2018	3561	8710	0.02
	Transfer			19 Oct 2018	50	8760	0.02
	Transfer			26 Oct 2018	150	8910	0.02
	Transfer			02 Nov 2018	(3910)	5000	0.01
	Transfer			30 Nov 2018	100	5100	0.01
	Transfer			07 Dec 2018	(100)	5000	0.01
	Transfer			21 Dec 2018	1000	6000	0.01
	Transfer			28 Dec 2018	(6000)	0	0.00
	Transfer			31 Dec 2018	7295	7295	0.01
	Transfer			04 Jan 2019	(6920)	375	0.00
	Transfer			11 Jan 2019	2022	2397	0.00
	Transfer			18 Jan 2019	1728	4125	0.00
	Transfer			25 Jan 2019	(3650)	475	0.00
	Transfer			01 Feb 2019	50	525	0.00
	Transfer			08 Feb 2019	900	1425	0.00
	Transfer			15 Feb 2019	(1050)	375	0.00
	Transfer			01 Mar 2019	275	650	0.00
	Transfer			08 Mar 2019	(175)	475	0.00
	Transfer			15 Mar 2019	2065	2540	0.00
	Transfer			22 Mar 2019	3850	6390	0.01
	Transfer			29 Mar 2019	193500	199890	0.38
	At the end of the year					199890	0.38
11	KARVY STOCK BROKING LIMITED-CLIENT ACCOUNT-NSE CM	292504	0.56			292504	0.56
	Transfer			06 Apr 2018	100	292604	0.56
	Transfer			13 Apr 2018	(259800)	32804	0.06
	Transfer			20 Apr 2018	(3533)	29271	0.06
	Transfer			27 Apr 2018	(310)	28961	0.05
	Transfer			04 May 2018	265631	294592	0.56
	Transfer			11 May 2018	(250)	294342	0.56
	Transfer			18 May 2018	(10509)	283833	0.54
	Transfer			25 May 2018	(125606)	158227	0.30
	Transfer			01 Jun 2018	(13331)	144896	0.28
	Transfer			08 Jun 2018	(43510)	101386	0.19
	Transfer			15 Jun 2018	(3900)	97486	0.18
	Transfer			22 Jun 2018	(13706)	83780	0.16
	Transfer			30 Jun 2018	(53691)	30089	0.06
	Transfer			06 Jul 2018	(4985)	25104	0.05
	Transfer			13 Jul 2018	2155	27259	0.05
	Transfer			20 Jul 2018	(750)	26509	0.05
	Transfer			27 Jul 2018	(546)	25963	0.05

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year i.e. (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year i.e. (31 <sup>st</sup> March, 2019)	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	Increase/ Decrease in Shareholding	No. of Shares held	% of Total Shares of the Company
	Transfer			03 Aug 2018	1290	27253	0.05
	Transfer			10 Aug 2018	(109)	27144	0.05
	Transfer			17 Aug 2018	(50)	27094	0.05
	Transfer			24 Aug 2018	(1222)	25872	0.05
	Transfer			31 Aug 2018	(93)	25779	0.05
	Transfer			07 Sep 2018	(933)	24846	0.05
	Transfer			14 Sep 2018	862	25708	0.05
	Transfer			21 Sep 2018	(202)	25506	0.05
	Transfer			29 Sep 2018	(508)	24998	0.05
	Transfer			05 Oct 2018	(544)	24454	0.05
	Transfer			12 Oct 2018	(337)	24117	0.05
	Transfer			19 Oct 2018	(138)	23979	0.05
	Transfer			26 Oct 2018	278	24257	0.05
	Transfer			02 Nov 2018	(81)	24176	0.05
	Transfer			09 Nov 2018	(120)	24056	0.05
	Transfer			16 Nov 2018	(180)	23876	0.05
	Transfer			23 Nov 2018	274	24150	0.05
	Transfer			30 Nov 2018	87	24237	0.05
	Transfer			07 Dec 2018	(396)	23841	0.05
	Transfer			14 Dec 2018	62	23903	0.05
	Transfer			21 Dec 2018	(375)	23528	0.05
	Transfer			28 Dec 2018	200	23728	0.05
	Transfer			04 Jan 2019	43	23771	0.05
	Transfer			11 Jan 2019	2476	26247	0.05
	Transfer			18 Jan 2019	(912)	25335	0.05
	Transfer			25 Jan 2019	4006	29341	0.05
	Transfer			01 Feb 2019	(421)	28920	0.05
	Transfer			08 Feb 2019	(319)	28601	0.05
	Transfer			15 Feb 2019	688	29289	0.06
	Transfer			22 Feb 2019	(571)	28718	0.05
	Transfer			01 Mar 2019	120	28838	0.05
	Transfer			08 Mar 2019	(447)	28391	0.05
	Transfer			15 Mar 2019	5742	34133	0.06
	Transfer			22 Mar 2019	(3581)	30552	0.06
	Transfer			29 Mar 2019	(2840)	27712	0.05
	Transfer			30 Mar 2019	400	28112	0.05
	AT THE END OF THE YEAR					28112	0.05
12	FUTURAGE CORPORATE CARE PRIVATE LIMITED	394182	0.76			394182	0.76
	Transfer			28 Dec 2018	(394182)	0	0.00
	AT THE END OF THE YEAR					0	0.00

**E) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year (31 <sup>st</sup> March, 2019)	
		No. of share Held	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of total shares of the Company
1	<b>Mr. Rajendra V. Agarwal</b>						
	At the beginning of the year	3856814	7.42			3856814	7.42
	Transfer			18 May 2018	5000	3861814	7.43
	At the end of the year					3861814	7.43
2	<b>Mr. Ajay V. Agarwal</b>					3729500	7.17
	At the beginning of the year	3729500	7.17				
	At the end of the year					3729500	7.17

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year (31 <sup>st</sup> March, 2019)	
		No. of share Held	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of total shares of the Company
3	<b>Mr. Vishwanath L. Agarwal</b>						
	At the beginning of the year	1948291	3.75			1948291	3.75
	Transfer			06 Apr 2018	4412	1952703	3.75
	Transfer			27 Apr 2018	5220	1957923	3.76
	Transmitted			31 Dec 2018	(1957923)	0	0.00
	At the end of the year					0	0.00
4	<b>Mr. Shreedhar Hirimbi</b>						
	At the beginning of the year	200	0				
	At the end of the year					200	0
5	<b>Mr. Ashok agarwal</b>						
	At the beginning of the year	0	0				
	At the end of the year					0	0

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in Lakhs)

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
<b>Indebtness at the beginning of the financial year</b>					
i)	Principal Amount	24,580.57	4052.45	1533.27	30166.29
ii)	Interest due but not paid	---	---	---	---
iii)	Interest accrued but not due	---	---	---	---
<b>Total (i+ii+iii)</b>		<b>24580.57</b>	<b>4052.45</b>	<b>1533.27</b>	<b>30166.29</b>
<b>Change in Indebtness during the financial year</b>					
*	Addition	884.15	1918.75	898.34	3701.25
*	Reduction	753.88	1550.45	730.29	3034.62
<b>Net Change</b>					
<b>Indebtness at the end of the financial year</b>					
i)	Principal Amount	24710.83	4420.75	1701.32	30832.92
ii)	Interest due but not paid	---	---	---	---
iii)	Interest accrued but not due	---	---	---	---
<b>Total (i+ii+iii)</b>		<b>24710.83</b>	<b>4420.75</b>	<b>1701.32</b>	<b>30832.92</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sr. No.	Particulars of Remuneration	Name of Directors			(Amount in Lakhs)
		Managing Director	Whole-time Director	Professional Director	
		Mr. Rajendra V. Agarwal	Mr. Ajay V. Agarwal	Mr. Anupkumar Singh	
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28.03	10.51	10.36	48.90
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	-as % of profit	-	-	-	-
	-others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	28.03	10.51	10.36	48.90
	Ceiling as per the Act				141.81

## B. Remuneration to other directors

Sr. No.	Particulars	Name of Directors					Amount (in Lakhs)
1.	Independent Directors	Mr. Durgaprasad Agarwal***	Mr. Santkumar Agarwal	Mr. Rajagopal Sivaraj**	Mrs. Medha Pattanayak	Mr. Santanu Mukherjee	
	Fee for attending board committee meetings	0.10	0.10	0	0.06	0.05	0.31
	Commission	0	0	0	0	0	0
	Others please specify	0	0	0	0	0	0
	Total (1)	0.10	0.10	0	0.06	0.05	0.31
2.	Other Non-executive Directors	Mr. Vishwanath Agarwal*	0	0	0	0	0
	Fee for attending board committee meetings	0.01	0	0	0	0	0.01
	Commission	0	0	0	0	0	0
	Others please specify	0	0	0	0	0	0
	Total (2)	0.01	0	0	0	0	0.01
Total (B) = (1+2)		0.11	0.10	0	0.06	0.05	0.32
Overall Ceiling as per the Act							156.02

\* Mr. Vishwanath L. Agarwal, Chairman passed away on 28<sup>th</sup> November, 2018 hence ceased to be Director on the Board of the Company.

\*\*Mr. Sivaraj Rajagopal, Non-Executive & Independent Director on the Board of the Company ceased to be Director w.e.f 14<sup>th</sup> November, 2018.

\*\*\*Mr. Durgaprasad Agarwal, Non-Executive & Independent Director on the Board of the Company ceased to be Director from the close of Business hours on 14<sup>th</sup> February, 2019

## C. Remuneration to key managerial personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Amount
		Chief Financial Officer	Company Secretary	
		Mr. Ashok Agarwal	Mr. Sreedhar Hirimbhi	
1	Gross Salary			
a	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	16.75	1.90	18.65
b	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
c	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	0	0	0
	Others specify	0	0	0
5	Others please specify	0	0	0
	<b>Total (A)</b>	<b>16.75</b>	<b>1.90</b>	<b>18.65</b>

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

Type	Section of the Companies Act	Breif Description	Details of Penalty/ Punishment/Compounding	Authority [RD/ NCLT/COURT]	Appeal made, if any give details
<b>A. COMPANY</b>					
	Penalty	-	-	-	-
	Punishment	-	-	-	-
	Compounding	-	-	-	-
<b>B. COMPOUNDING</b>					
	Penalty	-	-	-	-
	Punishment	-	-	-	-
	Compounding	-	-	-	-
<b>C. OTHERS OFFICERS IN DEFAULT</b>					
	Penalty	-	-	-	-
	Punishment	-	-	-	-
	Compounding	-	-	-	-



**Annexure-B**

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third provision thereto:**

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

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

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

Sr. No.	Name(s) of the related party	Nature of Relationship	Nature of Contacts/ arrangements/ transactions	Duration of transactions	Sailent items of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	R. Ajay Kumar Real Estate LLP	Mr. Rahul Agarwal, son of Mr. Rajendra Agarwal is a Partner	Leasing of Property	01-04-2018 to 31-03-2019	Value of Transaction = Rs. 18,00,000/-	30 <sup>th</sup> May, 2018	Nil
2	Neptune Fabs	Mr. Rajendra Agarwal and Mr. Ajay Agarwal are interested	Leasing of Property, Purchase of Goods and other recovery of Expenses	01-04-2018 to 31-03-2019	Value of Transaction = Rs. 89,55,796/-	30 <sup>th</sup> May, 2018	Nil
3	Venus Textiles	Mr. Rajendra Agarwal and Mr. Ajay Agarwal are interested	Leasing of Property, Purchase of Goods and other recovery of Expenses	01-04-2018 to 31-03-2019	Value of Transaction = Rs. 1,32,50,560/-	30 <sup>th</sup> May, 2018	Nil
4	Lotus Fabrics	Mr. Rajendra Agarwal and Mr. Ajay Agarwal are interested	Leasing of Property, Purchase of Goods and other recovery of Expenses	01-04-2018 to 31-03-2019	Value of Transaction = Rs. 99,45,829/-	30 <sup>th</sup> May, 2018	Nil
5	Mercury Industries	Mr. Rajendra Agarwal and Mr. Ajay Agarwal are interested	Sales of Goods, Fixed Assets & Other Services , Leasing of Property, Purchase of Goods and other recovery of Expenses	01-04-2018 to 31-03-2019	Value of Transaction = Rs. 1,64,14,178/-	30 <sup>th</sup> May, 2018	Nil
6	GBTL Limited	Mr. Rahul Agarwal, son of Mr. Rajendra Agarwal is a Director	Purchase of Goods, Fixed Assets and Sales of Goods, Fixed Assets	01-04-2018 to 31-03-2019	Value of Transaction = Rs. 61,34,87,047	30 <sup>th</sup> May, 2018	Nil
7	OCM Pvt. Ltd.	Mr. Rajendra Agarwal is a Director	Purchase of Goods, Fixed Assets and Sales of Goods, Fixed Assets	01-04-2018 to 31-03-2019	Value of Transaction = Rs. 34,14,61,351	30 <sup>th</sup> May, 2018	Nil

**Annexure-C**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

for the financial year ended 31<sup>st</sup> March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
DONEAR INDUSTRIES LIMITED  
Donear House, 8<sup>th</sup> Floor,  
Plot No. A - 50 Road No. 1, MIDC,  
Andheri (East), Mumbai – 400093

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DONEAR INDUSTRIES LIMITED, (CIN - L99999MH1987PLC042076)**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 ('Audit Period') except otherwise stated in this report has generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit period);**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit period);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit period);**
- VI. On examination of the relevant documents and records on test-check basis, the Company has generally complied with the following laws applicable specifically to the Company:
  - Factories Act, 1948
  - Acts under Prevention and Control of pollution

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE & NSE.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observation:

*The Company has spent short amount on CSR Activities than, what is required to be spend as per Section 135 of Companies Act, 2013.*

I further report that,

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and 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 the decisions at Board Meetings and Committee Meetings are carried out by requisite majority as recorded in the minutes of the meetings of the Board of Directors or committee of the Board as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Further the Company has not taken any other actions or entered into events having a major bearing on the company's affairs in above referred laws, rules, regulations, guidelines, standards, etc.

**YOGESH M. SHARMA**

**ACS: 33235**

**C. P: 12366**

**Place: Mumbai**

**Date: 10<sup>th</sup> August, 2019**

*\*This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.*

## **APPENDIX A**

To,

The Members,

**DONEAR INDUSTRIES LIMITED,**

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

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

**YOGESH M. SHARMA**

**ACS: 33235**

**C. P: 12366**

**Place: Mumbai**

**Date: 10<sup>th</sup> August, 2019**

## Annexure-D

### Annual Report on CSR activities

1. **Brief outline of Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or programs.**

The Policy outlines the Company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking activities for welfare and sustainable development of the community at large.

The core elements of CSR is the continuing commitment by business to ethical principles, protection of human rights and care for the environment, while improving the quality of life of all the stakeholders including the local community and society at large.

It is Company's conscious strategy to design and implement Social Investments/CSR programs, by enriching value chains that encompass the disadvantaged sections of society, especially those residing in rural India, through economic empowerment based on grass-root capacity building.

This Policy shall apply to all CSR initiatives and activities taken up for the benefit of different segments of the society, especially the deprived, under privileged and differently abled persons.

The CSR Policy provides an overview of the projects or programs, which are proposed to be undertaken by the Company in the coming years.

The full text of the CSR Policy is posted on the website of the Company viz [www.donear.com](http://www.donear.com)

2. **Composition of CSR Committee:**

'Corporate Social Responsibility Committee' comprising of following Directors:

Mr. Santkumar Agarwal – Chairman	Independent Director
Mrs. Medha Pattanayak – Member	Independent Director
Mr. Rajendra Agarwal – Member	Promoter & Executive Director

During the year under report, the Committee met on 5<sup>th</sup> March, 2019

3. **Net Profits of the Company for the last three financial years. – Rs. 4636.20 Lakhs**

Average Net Profit: Rs. 1545.40 Lakhs

4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above).**

The Company is required to spend Rs. 30.91 Lakhs towards CSR activities in the Financial Year 2018-2019.

Details of CSR activities/projects undertaken during the year.

- a. Total amount to be spent for the year : Rs. 30.91 Lakhs
- b. Amount Spent during the year as follows: Rs. 1.29 Lakhs

5. **In case the Company fails to spend the 2% of the Average Net profit of the last three financial years, the reasons for not spending the amount shall be stated in the Board Report –** The Company is endeavored to ensure full utilization of the allocated CSR budget. The amount which remained unspent due to unavoidable circumstances, added to the CSR budget for the Financial Year 2019-2020. During the Financial year 2017-18, Company has contributed the amount of Rs. 1 crores for promoting Educational activities although it was required to Spent only Rs. 16.16 Lakhs as per Companies Act.

There are also certain philanthropic/CSR activities/initiatives undertaken by the Company for the substantial well-being of the people in the community, which are not getting covered under the above CSR report due to the specified format under the applicable Rules.

6. **Responsibility statement, of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairperson of the CSR Committee.**

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Donear Industries Limited

**Rajendra V. Agarwal**  
Managing Director  
DIN:00227233

**Santkumar Agarwal**  
Chairman of CSR Committee  
DIN: 00153607

**Annexure-E**

**PARTICULARS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-2019:

<u>Name of the Director</u>	<u>Ratio</u>
Mr. Rajendra Agarwal (Managing Director)	6.26
Mr. Ajay Agarwal (Whole Time Director)	2.35

Other Directors of the Company are paid only sitting fees which are not considered as remuneration.

- (ii) The percentage increase / decrease in the remuneration of each Director, Chief Financial Officer and Company Secretary or manager in the Financial Year 2018-19:

<u>Name</u>	<u>% increase/ (decrease)</u>
Mr. Rajendra Agarwal (Managing Director)	Nil
Mr. Ajay Agarwal (Whole Time Director)	Nil
Mr. Anup Singh (Director)	1.17%
Mr. Ashok Agarwal (Chief Financial Officer)	1.89%
Mr. Shreedhar Hirimbi (Company Secretary)	Nil

Other Directors of the Company are paid only sitting fees which are not considered as remuneration.

- (iii) The percentage increase in the median remuneration of employees in the Financial Year: Nil
- (iv) The number of permanent employees on the rolls of the Company: There were 789 employees on the rolls as on 31<sup>st</sup> March, 2019.
- (v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average increase in salaries of employees other than the managerial is 6.72% and 1.17% for Managerial Personnel.
- (vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company: Yes

**Annexure-F**

## Energy, Technology Absorption and Foreign Exchange

Information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies

(Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and Foreign exchange earnings/outgo

**A. Conservation of Energy:**

I. Steps taken or impact on conservation of energy:

**Electrical Energy**

- o Carried out the Pump Audits and replace the high efficiency pumps.
- o Replaced the ETP plant conventional centrifugal pumps with latest technology high efficiency submersible type pumps.
- o Installed Air flow meters to monitor & Control the consumption.
- o Installed Energy meter & Running hrs meters on individual Process house machines for monitoring and control.
- o Continuous monitoring and rectification of Air leakage of Entire plant to save compressed Air.

**Thermal Energy**

- o Continuous monitoring of Steam traps to reduce losses and get the optimum condensate recovery.
- o Optimaization of Steam pressure by PRS at machine end.
- o Monitoring of Gas leakages.

**Water Conseravation**

- o Made the Pipeline network for effective utilization of Hot water.
- o Rain Water harvesting to recharge the ground water.
- o Installed Water recycle plant for Water jet effluent.
- o Using Rain water whenever available as Soft water.

II. The steps taken by the company for utilising alternate sources of energy:

- o Installed Rooftop Solar power having capacity of 1094 kWp.

III. The Capital investment on energy conservation equipments:

- o Company have invested Approx. Rs.50 Lakhs for Energy conservation.
- o The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipments by modern and energy efficient equipments.

**B. Technology absorption:**

I. The efforts made towards technology absorption:

- o The Company has an in-house Research and Development Department (R & D) with carries out activities such as product and quality improvement, development of new designs, new products, cost control and energy conservation.
- o The Company has been developing in-house modifications / improvements in technology in its various manufacturing sections which, when found suitable, are integrated into the regular manufacturing operation.

II. The benefits derived like product improvement, cost reduction, product development or import substitution:

- (a) Quality improvement
- (b) Energy Conservation
- (c) The R & D activities have resulted into development of new designs and Products.

**C. Foreign exchange earnings and outgoing:**

**(Amount in Lakhs)**

Particulars	FY 2018-19	FY 2017-18
Foreign Exchange Earned	5984.87	5858.58
Foreign Exchange Used	464.61	308.17



## **CORPORATE GOVERNANCE REPORT**

### **1. COMPANY'S PHILOSOPHY**

Donear Industries Limited ("the Company") strives to follow the best corporate governance practices, develop best policies, guidelines, communicate and train all its employees in order to foster a culture of compliance and obligation at every level of the organization. The Company is in compliance with the provisions of Corporate Governance specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen. The Company believes in the fundamental principles and rules concerning ethical business conduct. We, at Donear Industries Limited, believe that for a Company to succeed, it must maintain global standards of corporate conduct towards employees, customers and society.

The Company has adopted code of conduct for its employees including Managing Directors, Executive Directors and also for Independent Directors of the Company. The Managing Director has given declaration to the effect that all Directors and Senior Management Personnel of the Company have given their affirmation of Compliance of code of conduct.

At Donear Industries Limited, we view Corporate Governance in its widest sense, almost like a trusteeship. Corporate Governance is not simply a matter of creating checks and balances: it is about creating an outperforming organization. The primary objective is to create and adhere to corporate culture of conscience and consciousness, transparency and openness; and to develop capabilities and identify opportunities that best serve the goal of value creation. Good governance is an integral part of Donear Industries Limited Management, in its pursuit of excellence, growth and value creation with a clear focus on its employees, customers, shareholders and the community at large – its stakeholders, beyond the metric of stock market and market capitalization.

### **2. RIGHTS AND ROLE OF THE STAKEHOLDERS**

The Company believes in protecting the rights of the shareholders. It ensures adequate and timely disclosure of all information to the shareholders in compliance with the applicable laws. Shareholders are furnished with sufficient and timely information concerning the general meetings, issues to be discussed thereat and rules regarding holding and conducting the general meetings. All shareholders are treated equitably. The Company recognizes the rights of the stakeholders who are provided opportunity to obtain effective redressal for violation of their rights. Keeping the same in view, the Company has laid down an effective whistle blower policy enabling stakeholders, including employees to freely communicate their concerns about illegal or unethical practices.

### **3. BOARD OF DIRECTORS**

#### **a) Composition and Category of Directors**

The Board of Directors of the company have an optimum combination of Executive, Non-Executive and Independent Directors who represents the optimum mix of professionalism, knowledge and experience. The Board's composition is in accordance with the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31<sup>st</sup> March, 2019, the Board of the Company comprises Six Directors - Three Executive Directors and Three Non-Executive Independent Directors. The current strength of the Board includes one Non Executive & Independent Woman Director as required under applicable provision of the Companies Act, 2018.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Technology	A significant background in technology, resulting in knowledge of how to anticipate technological trends and extend or create new business models.
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, planning succession and long term growth.
Financial	Proficiency in financial management and capital allocation.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments

The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships/ memberships held by them in other public companies as on 31<sup>st</sup> March, 2019 are given herein below.

**Directors' Attendance Record and Directorship / Committee Membership / Chairmanship held as on 31<sup>st</sup> March, 2019**

Name of Director	Executive / Non-Executive / Independent	Relation ship with Other Directors	Board Meetings attended during the year	Whether attended last AGM	Director-ships* including Donear Industries Limited)	Committee Position (Including Donear Industries Limited)	
						Chairman	Member
*Mr. Vishwanath L. Agarwal – Chairman	Non-Executive & Promoter	Father of Mr. Rajendra Agarwal and Mr. Ajay Agarwal	1	No	-	-	-
Mr. Rajendra Agarwal - Managing Director	Executive	Son of Mr. Vishwanath L. Agarwal	5	Yes	1	-	-
Mr. Ajay Kumar Agarwal - Whole Time Director	Executive	Son of Mr. Vishwanath L. Agarwal	4	Yes	1	-	-
Mr. Santkumar Agarwal	Non-Executive & Independent	None	5	No	1	2	-
***Mr. Durgaprasad Agarwal	Non-Executive & Independent	None	5	Yes	2	-	-
**Mr. Sivaraj Rajagopal	Non-Executive & Independent	None	-	No	-	-	-
Mrs. Medha Pattanayak	Non-Executive & Independent	None	5	No	1	-	2
Mr. Santanu Mukherjee	Non-Executive & Independent	None	5	No	3	-	2
Mr. Anup Kumar Singh	Executive & Professional	None	1	No	1	-	-

**Notes:**

- Number of Directorships/memberships and Committee position held in other companies excludes directorship/member in Private Limited Companies, Foreign Companies and Companies under section 8 of the Companies Act, 2013 and includes Audit Committee, Stakeholders Relationship Committee in Public Limited Companies including Donear Industries Limited.
- \* Mr. Vishwanath L. Agarwal, Chairman passed away on 28<sup>th</sup> November, 2018 hence ceased to be Director on the Board of the Company.
- \*\* Mr. Sivaraj Rajagopal, Non-Executive & Independent Director on the Board of the Company ceased to be Director w.e.f 14<sup>th</sup> November, 2018.
- \*\*\* Mr. Durgaprasad Agarwal, Non-Executive & Independent Director on the Board of the Company ceased to be Director from the close of Business hours on 14<sup>th</sup> February, 2019.

**b) Details of shares held by Non-Executive Directors:**

Name of Non-Executive Director	No. of Shares	% of shareholding
Mr. Santkumar Agarwal	13550	0.03%
Mr. Santanu Mukherjee	Nil	Nil
Mrs. Medha Pattnayak	Nil	Nil

**c) Appointment / Reappointment of Directors:**

Mr. Anupkumar Singh (DIN: 07343361) who retires by rotation and being eligible offers himself for re-appointment.

**d) Independent Directors**

The Independent Directors of the Company fully meet the requirements laid down under Regulation 17 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time:

An independent director in relation to a company, means a non executive director other than a nominee director of the Company,

- Who in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - i. is or was not a promoter of the Company or its holding, subsidiary or associate Company;
  - ii. is not related to promoters or directors in the Company, its holding, subsidiary or associate Company;
- Apart from receiving directors remuneration who has or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;
- None of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company or their promoters or directors amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or current financial year;

- Who neither himself nor any of his relatives –
  - i. holds or has held the position of Key Managerial Personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - ii. is or has been employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-
    - a. A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company or its holding, subsidiary or associate company; or
    - b. Any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
- Holds together with his relatives two per cent or more of the total voting power of the company: or
- Is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty five percent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company;
- Is a material supplier, service provider or a customer or a lessor or lessee of the Company;
- Who is not less than 21 years of age.

The tenure of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications / circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard, from time to time.

All the Independent Directors have furnished a declaration that he/she meets the criteria of independence as laid down in Section 152 of the Companies Act, 2013. The Company has provided the appointment letter to Independent Directors along with code for independent directors which are also available on the Company's website.

**e) Performance Evaluation of Directors**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Non Executive Directors. The parameters of performance evaluation of the Non Executive Directors will capture the following points:

- Attendance at meetings of the Board and Committee thereof,
- Participation in Board meetings or Committee thereof,
- Contribution to strategic decision making,
- Review of risk assessment and risk mitigation,
- Review of financial statements, business performance, and
- Contribution to the enhancement of brand image of the Company.

**f) Separate meetings of the Independent Directors**

The Independent Directors held a Meeting on 5<sup>th</sup> March, 2019, without the attendance of Executive Directors and members of Management. At the Meeting, they:

- (i) reviewed the performance of non-independent directors and the Board as a whole;
- (ii) assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- (iii) Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

**g) Familiarization Programme for Independent Directors:**

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged. The Company conduct programmes/presentations periodically to familiarize the Independent Directors with the nature of industry, business model, strategy, operations, functions of the Company & role, rights and responsibilities of Independent Directors through its Executive Directors or Senior Management Personnel.

The details of such familiarization programmes have been disclosed on the Company's website at [www.donear.com](http://www.donear.com)

**4. BOARD MEETINGS**

- a)** The Board meets at least four times in a year with a maximum time gap of one hundred and twenty days between two Board Meetings as per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- The meeting of the Board of Directors/Committees is held in Mumbai. The Board meets at least once in a quarter interalia to review the quarterly performance and financial results and review compliance reports pertaining to all applicable laws. A total of five Board Meetings were held during the year 2018-2019 on the following dates: 30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018, 5<sup>th</sup> December, 2018 and 14<sup>th</sup> February, 2019.

The Board is apprised and informed of all the important matters relating to the business of the Company including those information as prescribed in Schedule II (Part A & B) of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director finalizes the items to be included in the agenda of the meeting and the same is sent to the members of the Board well in advance along with the relevant details and explanatory notes wherever required.

The Board of Directors are satisfied with the plans for orderly succession for appointment of Board of Directors and senior management. Also, the Board of Directors has laid down code of conduct for the Board and senior management which is available on the website of the Company. The Company has laid down the procedures for intimating the risk assessment and minimization procedures to the Board of Directors and the Board of Directors are responsible for framing, implementing and monitoring the risk management plan for the Company.

#### **Information Supplied to the Board / Committees**

The Company provides the information as required in the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

#### **BOARD COMMITTEES**

As mandated by Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has become applicable to the Company with effect from 1st December, 2015, none of the Directors on the Board is a Member of more than ten (10) Committees and none is a Chairman of more than five (5) Committees across all the Indian Public Limited Companies in which they are Directors. All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies.

To align with the requirements prescribed for such Board Committees under the provisions of the Companies Act, 2013 and Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year ended 31st March, 2019, the Board of Directors amended the terms of references, wherever required

The Board has constituted the following committees of Directors:-

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders Relationship Committee
- iv) Risk Management Committee
- v) Corporate Social Responsibility Committee

The composition of the Committees, the number of meetings held during the year ended 31<sup>st</sup> March, 2019 and attendance therein along with the terms of reference are provided below:

#### **I. AUDIT COMMITTEE**

##### **a) Terms of Reference**

Terms of Reference, role and scope of the Audit Committee are in line with those prescribed by Clause 49 of the Listing Agreement and the corresponding Regulation 18(3) read with Part C of Schedule II of the Listing Regulations, 2015. The Company has also complied with the provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder pertaining to the Audit Committee and its functioning.

##### **b) Composition & Meeting Attended**

The Audit Committee meets the criteria laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure) Regulations, 2015 as on 31<sup>st</sup> March, 2019. The Audit Committee comprises of three Non-Executive Independent Directors including the Chairman of the Audit Committee. During the period under review, the audit committee met four times on 30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018 and 14<sup>th</sup> February, 2019. The details of the members of Audit Committee and meeting attended by them are as under:

Name of the Directors	Category	Designation	No. of Meetings held	No. of Meetings attended
*Mr. Durgaprasad Agarwal	Non-Executive and Independent	Chairman	4	4
Mr. Santkumar Agarwal	Non- Executive and Independent	Member	4	4
*Mr. Rajagopal Sivaraj	Non- Executive and Independent	Member	4	0
**Mrs. Medha Pattnayak	Non- Executive and Independent	Member	4	1
***Mr. Santanu Mukherjee	Non- Executive and Independent	Member	4	NA

\* Mr. Durgaprasad Agarwal, Non-Executive and Independent Director resigned from close of business hours on 14<sup>th</sup> February, 2019 and thereafter Mr. Santkumar was appointed as the Chairman of the Committee.

\* Mr. Rajagopal Sivaraj, Non-Executive and Independent Director resigned w.e.f. 14<sup>th</sup> November, 2018.

\*\*Mrs. Medha Pattnayak, Non-Executive and Independent Woman Director has become the member w.e.f. 14<sup>th</sup> November, 2018.

\*\*\* Mr. Santanu Mukherjee, Non- Executive and Independent Director has become the member w.e.f. 14<sup>th</sup> February, 2019.

The Board has designated Company Secretary to act as Secretary of the Audit Committee. The members of the Audit Committee are financially literate. The Chairman of the Audit Committee was present at the last Annual General Meeting.

##### **c) Power of Audit Committee**

The Audit Committee has the following powers:

- 1) To investigate any activity within the terms of reference
- 2) To seek information from any employee

- 3) To obtain outside legal or other professional advice
- 4) To secure attendance of outside with relevant expertise, if considered necessary.

**d) Role of Audit Committee**

- (i) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
  - (ii) Recommending the Board, the appointment, re-appointment and if required replacement or removal of Statutory Auditors and fixation of Audit fees.
  - (iii) Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors.
  - (iv) Reviewing with management the annual financial statements before submission to the Board for approval, with particular reference to:
    - Matters required being included in Directors' Responsibility statement to be included in the Board's Report in terms of Clause 3 (c) of section 134 of the Companies Act, 2013.
    - Changes if any, in accounting policies and practices and reasons for the same.
    - Major accounting entries involving estimates based on the exercise of judgment by management.
    - Significant adjustments made in the financial statement arising out of audit findings.
    - Compliance with Listing Agreement and other legal requirements relating to financial statements.
    - Disclosures of related party transactions.
    - Modified opinion(s) in the draft audit report.
  - (v) Reviewing, with the management, the quarterly financial statement before submission to the Board for approval.
  - (vi) Reviewing, with the management the statement of uses/application of funds raised through an issue (Public issue /Right Issue/ Preferential Issue etc.), the statement of funds utilized for purposes other than those stated in the offer Document/ Prospectus/Notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the board to take up the steps in the matter. Performance of Statutory and Internal Auditors, adequacy of internal control systems.
  - (vii) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
  - (viii) Approval or any subsequent modification of transaction of listed entity with related parties.
  - (ix) Scrutiny of Inter corporate loans and investments.
  - (x) Valuation of undertakings of Assets of the listed entity, wherever it is necessary.
  - (xi) Evaluation of internal financial control and risk management.
  - (xii) Reviewing with the management, performance of Statutory and Internal Auditors, Adequacy of the internal control system.
  - (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - (xiv) Discussion with the internal auditors of any significant findings and follow up thereon.
  - (xv) Reviewing the findings of any internal investigation by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the board.
  - (xvi) Discussion with the statutory auditors before the audit commences, about the nature and scope of Audit as well as post audit discussion to ascertain any area of concern.
  - (xvii) To look into the reasons for the substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - (xviii) To review the functioning of Whistle Blower Mechanism, in case, if the same exists.
  - (xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
  - (xx) Carrying out any other function as is mentioned in the terms of reference of Audit Committee.
- The Audit Committee reviews the following information:
- 1) The Management discussion and analysis of financial condition and results of operation.
  - 2) The statement of significant related party transactions (as defined by the audit committee) submitted by the management.
  - 3) Management letter/letters of internal control weaknesses issued by the statutory auditors.
  - 4) Internal audit reports relating to internal control weaknesses.
  - 5) The appointment, removal and terms of remuneration of internal auditors shall be subject to review by the audit committee.

6) Statement of Deviations:

- a) Quarterly statement of deviations including report of Monitoring Agency, if applicable, Submitted to stock exchanges in terms of regulation 32(1)
- b) Annual statement of funds utilized for purpose other than those stated in the offer document/ prospectus/ Notices in terms of regulation 32(7).

**II. NOMINATION AND REMUNERATION COMMITTEE**

**a) Terms of Reference**

The Company's Nomination and Remuneration Committee is vested with all the necessary powers and authority to ensure appropriate disclosure on the remuneration of Executive Directors including Managing Director, Whole-time director and to deal with all the elements of remuneration package of Directors and Management Personnel.

- i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- ii) Formulation of criteria for evaluation of Independent Directors and the Board;
- iii) Devising a policy on Board diversity.
- iv) Succession plan policy
- v) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- vi) Whether to extend or continue the terms of the appointment of the independent Director on the basis of the report of the performance evaluation of independent director.

**b) Composition**

The Nomination and Remuneration Committee meets the criteria laid down under Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure) Regulations, 2015. As on 31<sup>st</sup> March, 2019, Nomination and Remuneration Committee comprises of three Independent Directors.

Name of the Directors	Category	Designation	No. of Meeting held	No. of Meetings attended
*Mr. Durgaprasad Agarwal	Non- Executive and Independent	Chairman	1	1
Mr. Santkumar Agarwal	Non- Executive and Independent	Member	1	1
*Mr. Rajagopal Sivaraj	Non- Executive and Independent	Member	1	0
**Mrs. Medha Pattnayak	Non- Executive and Independent	Member	1	NA
***Mr. Santanu Mukherjee	Non- Executive and Independent	Member	1	NA

\* Mr. Durgaprasad Agarwal, Non-Executive and Independent Director resigned from close of business hours on 14<sup>th</sup> February, 2019 and thereafter Mr. Santkumar was appointed as the Chairman of the Committee.

\* Mr. Rajagopal Sivaraj, Non-Executive and Independent Director resigned w.e.f. 14<sup>th</sup> November, 2018.

\*\*Mrs. Medha Pattnayak, Non-Executive and Independent Woman Director has become the member w.e.f. 14<sup>th</sup> November, 2018.

\*\*\* Mr. Santanu Mukherjee, Non- Executive and Independent Director has become the member w.e.f 14<sup>th</sup> February, 2019.

**c) Meeting**

During the financial year 2018-19, one meeting of Nomination and Remuneration Committee held on 30<sup>th</sup> May, 2018.

**d) Remuneration Policy**

The Remuneration Policy is based on three tenets: Pay for responsibility, Pay for performance and potential and pay for growth.

**e) Remuneration paid to Directors**

The Remuneration of Managing Director and Whole Time Director has been approved by the Nomination and Remuneration Committee, subsequently by the Board of Directors in accordance with and subject to the limits laid down in Schedule V to the Companies Act, 2013 and subject the approval of the Shareholders at the General Body Meeting.

The Non executive directors of the Company do not draw any remuneration other than sitting fees of Rs. 1000/- per meeting of the Board/ committee meetings for attending the Board meetings, Audit Committee meetings.

The Remuneration (including perquisites and benefits) paid to the Managing Director / Whole time Director and other directors during the year ended 31<sup>st</sup> March, 2019 is as follows:-



Directors	Salary (including Performance Incentive, if any and other allowance)	Contribution to P. F. and Gratuity	Sitting Fees	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Mr. Vishwanath L. Agarwal – Chairman	-	-	1,000	<b>1,000</b>
Mr. Rajendra V. Agarwal – Managing Director	24,00,000	4,03,385	-	<b>28,03,385</b>
Mr. Ajay V. Agarwal – Whole Time Director	9,00,000	1,51,269	-	<b>10,51,269</b>
Mr. Rajagopal Sivaraj – Non - executive /Independent Director	-	-	-	-
Mr. Durgaprasad Agarwal – Non - executive /Independent Director	-	-	10,000	<b>10,000</b>
Mr. Sant Kumar Agarwal – Non - executive /Independent Director	-	-	10,000	<b>10,000</b>
Mrs. Medha Pattanayak – Non - executive /Independent Director	-	-	6000	<b>6,000</b>
Mr. Santanu Mukherjee	-	-	5,000	<b>5,000</b>
Mr. Anup Singh – Executive Professional Director	10,36,182	-	-	<b>10,36,182</b>

**f) Performance linked incentive criteria:**

No such performance linked incentive are given to any Director.

**g) Employee Stock Option Scheme**

The Company does not have any stock option scheme.

**III. STAKEHOLDER RELATIONSHIP COMMITTEE**

The Board of Directors had constituted the Stakeholders Relationship Committee. The committee focuses primarily on monitoring and ensuring that all shareholders and investor services operate in an efficient manner and that shareholder and investors grievances/complaints including that of all other stakeholders are addressed promptly with the result that all issues are resolved rapidly and efficiently. The role of the Stakeholders Relationship Committee is to consider and resolve the grievances of security holders of the Company.

The Composition of the Stakeholder's Relationship Committee is detailed below:

Name of the Director	Category	Designation
#Mr. Durgaprasad Agarwal	Non-Executive and Independent	Chairman
Mr. Santkumar Agarwal	Non-Executive and Independent	Member
*Mr. Rajagopal Sivaraj	Non-Executive and Independent	Member
**Mrs. Medha Pattnayak	Non-Executive and Independent	Member
***Mr. Santanu Mukherjee	Non-Executive and Independent	Member

#Mr. Durgaprasad Agarwal, Non-Executive and Independent Director resigned from close of business hours on 14<sup>th</sup> February, 2019 and thereafter Mr. Santkumar was appointed as the Chairman of the Committee.

\* Mr. Rajagopal Sivaraj, Non-Executive and Independent Director resigned w.e.f. 14<sup>th</sup> November, 2018.

\*\*Mrs. Medha Pattnayak, Non-Executive and Independent Woman Director has become the member w.e.f. 14<sup>th</sup> November, 2018.

\*\*\* Mr. Santanu Mukherjee, Non- Executive and Independent Director has become the member w.e.f 14<sup>th</sup> February, 2019.

**Number of Complaints:**

Particulars	Opening Balances	Received	Resolved	Pending
<b>Complaints:</b>	-	-	-	-
SEBI/Stock Exchange	-	-	-	-
<b>Shareholders-non receipt of Annual Report Queries</b>	-	-	-	-
<b>Non receipt of Dividend warrant</b>	-	-	-	-
Dividend	-	-	-	-

**IV. RISK MANAGEMENT COMMITTEE:**

The terms of reference of the Risk Management Committee include implementation and monitoring the risk management plan for the Company.

The Board has formed Risk Management Committee consisting of following directors

Name of the Director	Category	Designation
#Mr. Durgaprasad Agarwal	Non-Executive and Independent	Chairman
Mr. Santkumar Agarwal	Non-Executive and Independent	Member
*Mr. Rajagopal Sivaraj	Non-Executive and Independent	Member
**Mrs. Medha Pattnayak	Non-Executive and Independent	Member
***Mr. Santanu Mukherjee	Non-Executive and Independent	Member

# Mr. Durgaprasad Agarwal, Non-Executive and Independent Director resigned from close of business hours on 14<sup>th</sup> February, 2019 and thereafter Mr. Santkumar was appointed as the Chairman of the Committee.

\* Mr. Rajagopal Sivaraj, Non-Executive and Independent Director resigned w.e.f. 14<sup>th</sup> November, 2018.

\*\*Mrs. Medha Pattnayak, Non-Executive and Independent Woman Director has become the member w.e.f. 14<sup>th</sup> November, 2018.

\*\*\* Mr. Santanu Mukherjee, Non- Executive and Independent Director has become the member w.e.f 14<sup>th</sup> February, 2019.

#### V. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Act, the Board constituted the CSR Committee. The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

The terms of reference for the CSR Committee include:

- Formulate a CSR Policy which shall indicate activities to be undertaken by the Company.
- Recommend the CSR Policy to the Board.
- Recommend the amount of expenditure to be incurred on the activities.
- Monitor the Policy from time to time as per the CSR Policy.

During the financial year under review the CSR Committee met on 5<sup>th</sup> March, 2019.

The Board has formed Corporate Social Responsibility Committee consisting of following directors

Name of the Director	Category	Designation
#Mr. Durgaprasad Agarwal	Non-executive and Independent	Chairman
Mr. Santkumar Agarwal	Non-executive and Independent	Member
Mr. Rajendra Agarwal	Promoter and Executive Director	Member
*Mrs. Medha Pattnayak	Non-Executive and Independent	Member

# Mr. Durgaprasad Agarwal, Non-Executive and Independent Director resigned from close of business hours on 14<sup>th</sup> February, 2019 and thereafter Mr. Santkumar was appointed as the Chairman of the Committee.

\*Mrs. Medha Pattnayak, Non-Executive and Independent Woman Director has become the member w.e.f. 14<sup>th</sup> November, 2018.

#### 5. GENERAL MEETING

##### a) Annual General Meetings held during last three years:

Financial year	Date	Time	Venue	Details of Special Resolution Passed
2015-2016	24.09.2016	11.30 a.m.	Donear House, 9 <sup>th</sup> floor, Plot no. A-49/50, Marol Industrial Area, MIDC, Andheri (East), Mumbai – 400 093	No Special Resolution
2016-2017	23.09.2017	11.30 a.m.	Donear House, 9 <sup>th</sup> floor, Plot no. A-49/50, Marol Industrial Area, MIDC, Andheri (East), Mumbai – 400 093	No Special Resolution
2017-2018	29.09.2018	11.30 a.m.	Donear House, 9 <sup>th</sup> floor, Plot no. A-49/50, Marol Industrial Area, MIDC, Andheri (East), Mumbai – 400 093	Special Resolution: 1. Continuation of Directorship of Mr. Santkumar Agarwal. 2. Continuation of Directorship of Mr. Vishwanath Agarwal, Non-executive Director of the Company.

##### b) Postal Ballot:

During the year under review, the Company has not passed any resolution through Postal Ballot.

#### 6. DISCLOSURES:

##### a) Whistle Blower Policy / Vigil Mechanism

In line with the best Corporate Governance practices, Donear Industries Limited has put in place a system through which the Directors, employees and business associates may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the higher level and Compliance Officer. The Company's policy of Whistle Blower/Vigil mechanism posted on Company's website [www.donear.com](http://www.donear.com)

**b) Related Party Transactions**

The Audit Committee has given prior approval for all Related Party Transactions. All related party transactions that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. The policy on Related Party Transactions as approved by the Audit Committee and Board is uploaded on the Company's website i.e. [www.donear.com](http://www.donear.com)

**c) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.**

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

**d) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The details of number of complaints filed and disposed of during the year and pending as on 31<sup>st</sup> March, 2019 is given in the Directors' report.

**7. OTHER DISCLOSURES:**

- There were no transactions of material nature with its Promoters, Directors or the Management or relatives during the period that may have potential conflict with the interest of the company at large.
- The Company has complied with all mandatory requirements under the Listing Regulations, 2015. There were no non-compliances by the Company during the year. No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authorities on any matters related to the capital markets, during the previous three financial years.
- The Board has adopted a Code of Conduct including Business Ethics Policy for its Directors and Senior Management. This is available on the Company's web-site.
- The Managing Director has submitted before the Board a declaration of compliance with the Code of Conduct by the Directors during the financial year ended 31<sup>st</sup> March, 2019.
- Risk assessment and minimization procedures are periodically reviewed by the Audit Committee and the Board of Directors of the Company.
- The Chief Executive Officer and the Chief Financial Officer have certified to the Board of Directors as per the format prescribed in Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. This has been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company.
- Management Discussion and Analysis report form part of the Annual Report to the shareholders.

**8. MEANS OF COMMUNICATION**

The Quarterly (unaudited financial result) and annual audited financial result of the Company are electronically submitted on the online Portals - 'BSE Corporate Compliance' and 'Electronic Application Processing System' (NEAPS) of BSE and NSE respectively, within 30 minutes of their approval by the Board pursuant to the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The approved financial results are published in Free Press Journal and Navshakti Newspapers within forty-eight hours of approval thereof in accordance with the provisions of Listing Regulations. The Company's financial results and official press releases are displayed on the Company's website i.e. [www.donear.com](http://www.donear.com).

**9. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT**

A qualified Practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-a-viz the issued and listed capital.

The report by M/s. VKM & Associates, a Practicing Company Secretary confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Also, the Reconciliations of Share Capital audit report by M/s. VKM & Associates, a Practicing Company Secretary have no adverse remarks for the year ended 31<sup>st</sup> March, 2019. The report is self-explanatory.

**10. GENERAL SHAREHOLDER INFORMATION**

Sr. No.	Particulars	Details
1	33 <sup>rd</sup> Annual General Meeting	23 <sup>rd</sup> September, 2019 at 11:30 a.m. Donear House, 9 <sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093
2	Financial Calendar (Tentative)	<b>Financials for Quarter ending</b>
		June 30, 2019
		September 30, 2019
		December 31, 2019
		March 31, 2020
		Annual General Meeting for the year ended 31 <sup>st</sup> March, 2020.
		<b>Financial Reporting Date</b>
		Second week of August, 2019
		Second week of November, 2019
		Second week of February, 2020
		Last week of May 2020
		June-September, 2020
3	Date of Book Closure	17 <sup>th</sup> September, 2019 to 23 <sup>rd</sup> September, 2019 (both days inclusive)
4	Dividend Payment Date	Within 30 Days from the date of AGM

Sr. No.	Particulars	Details		
5	Listing on Stock Exchanges	<b>Name &amp; Address of Stock Exchange Ltd</b>	<b>Stock Code</b>	<b>Demat ISIN for NSDL &amp; CDSL</b>
		BSE Ltd (BSE)	<b>512519</b>	INE 668D01028
		National Stock Exchange of India Ltd (NSE)	<b>DONEAREQ</b>	INE 668D01028
	CIN Number:	L99999MH1987PLC042076		
6	Payment of Annual Listing fees	Listing fees for the financial year 2019-2020 has been paid to both the Stock Exchanges BSE & NSE		
7	Registrars & Transfer Agents Contact person Contact No Email	<b>Link Intime India Pvt. Ltd.</b> C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Mr. Satyan Desai +91 22 49186270 Fax: +91 22 49186060 <a href="mailto:satyan.desai@linktime.co.in">satyan.desai@linktime.co.in</a> , <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>		
8	Custodial Fees to Depositories	The Company has paid custodial fees for the year 2019-2020 to NSDL and CDSL.		
9	Address for correspondence	Donear Industries Limited Donear House, 8 <sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093		
10	For any assistance	Regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or annual report or any other query relating to shares be addressed to Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083. Phone: 022 49186000 Fax: 022 49186060		

## 12. SHARE TRANSFER SYSTEM

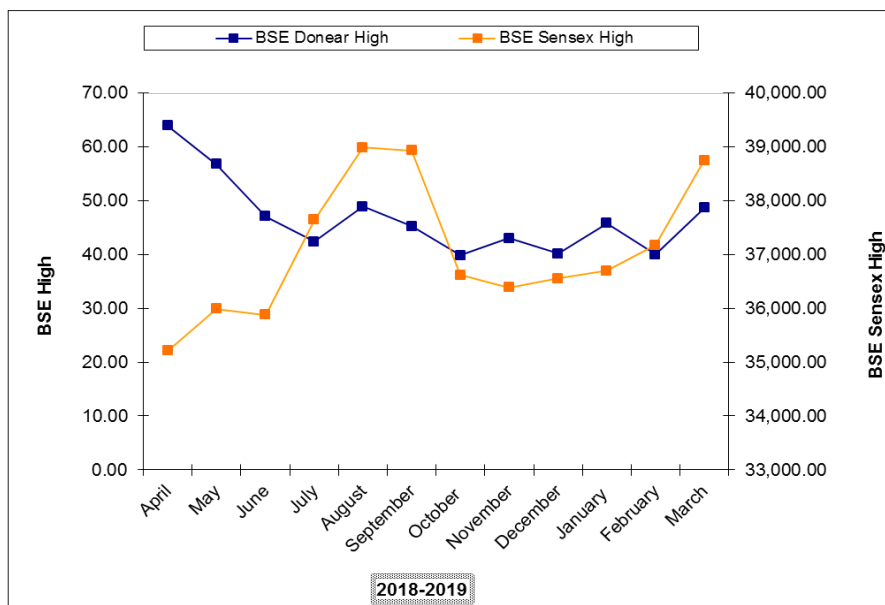
Share transfers in physical form are processed by the Registrar and Transfer Agent, Link Intime India Private Limited and are approved by the Stakeholders Relationship Committee of the Company or the authorized signatories of the Company. Share transfers are registered and returned within 21 days from the date of lodgment if documents are complete in all respects. The Depository system handles share transfers in dematerialized form.

In compliance with the Listing Regulation, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in-Practice for timely dematerialization of the shares of the Company and for conducting a Secretarial Audit on a quarterly basis for reconciliation of the Share Capital of the Company. Members holding shares in Demat mode should address all their correspondence to their respective Depository Participant.

## 13. STOCK PERFORMANCE

**Market Price Data during the year ended 31<sup>st</sup> March, 2019:**

Month	BSE				NSE	
	High	Low	BSE Sensex (High)	BSE Sensex (Low)	High	Low
Apr-2018	63.95	50.25	35213.30	32972.56	64.00	49.55
May-2018	56.75	46.00	35993.53	34302.89	56.15	45.20
June-2018	47.05	34.70	35877.41	34784.68	48.90	34.40
July-2018	42.40	33.25	37644.59	35106.57	43.40	33.10
Aug-2018	48.90	38.80	38989.65	37128.99	49.00	39.05
Sept-2018	45.25	30.00	38934.35	35985.63	45.25	29.10
Oct-2018	39.85	31.00	36616.64	33291.58	39.70	30.60
Nov-2018	43.00	33.90	36389.22	34303.38	43.20	32.00
Dec-2018	40.20	31.35	36554.99	34426.29	40.30	30.50
Jan-2019	45.80	36.15	36701.03	35375.51	46.00	36.40
Feb-2019	40.00	31.30	37172.18	35287.16	39.65	30.90
Mar-2019	48.70	36.05	38748.54	35926.94	48.65	36.00


14. SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2019:

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	As a percentage of (A+B+C)
(A)	<b>Shareholding of Promoter and Promoter Group</b>			
(1)	<b>Indian</b>			
	(a) Individuals/ Hindu Undivided Family	12	30518034	58.69
	(b) Bodies Corporate	6	8254000	15.87
	<b>Sub Total(A)(1)</b>	<b>18</b>	<b>38772034</b>	<b>74.56</b>
(2)	<b>Foreign</b>			
	(a) Directors & their relatives	0	0	0
	<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>		<b>18</b>	<b>38772034</b>	<b>74.56</b>
(B)	<b>Public shareholding</b>			
(1)	<b>Foreign Institutions investors</b>			
	(a) Mutual Fund	1	146518	0.28
	(b) Foreign Institutions/ Banks	1	5350	0.01
	<b>Sub-Total (B)(1)</b>	<b>2</b>	<b>151868</b>	<b>0.29</b>
	(a) Bodies Corporate	130	837029	1.61
	(b) Individuals			
	(i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	9921	6886496	13.24
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	11	3153052	6.06
	(c) Any Other (specify)IEPF	1	9646	0.02
	NBFCs registered with RBI	2	90136	0.17
	Hindu Undivided Family	340	1148960	2.21
	Non Resident Indians (Non Repat)	38	41248	0.08
	Non Resident Indians (Repat)	71	79477	0.15
	Clearing Member	89	830054	1.60
	<b>Sub-Total (B)(2)</b>	<b>10603</b>	<b>13076098</b>	<b>25.15</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>		<b>10605</b>	<b>13227966</b>	<b>25.44</b>
<b>TOTAL (A)+(B)</b>		<b>10623</b>	<b>52000000</b>	<b>100</b>
(C)	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	-	-	-

**16. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2019:**

No. of equity shares held	No. of shareholders	% of shareholder	Total no. of shares held	% of shares held
1 - 500	8601	79.49	1330862	2.56
501 - 1000	998	09.22	850827	1.64
1001 - 2000	536	04.95	842963	1.62
2001 - 3000	193	01.78	506466	0.97
3001 - 4000	93	00.86	336551	0.65
4001 - 5000	85	00.78	407114	0.78
5001 – 10000	154	01.42	1179120	2.27
10001- above	160	01.47	46546097	89.51
<b>Total</b>	<b>10820</b>	<b>100.00</b>	<b>52000000</b>	<b>100.00</b>

**18. TRANSFER OF UNCLAIMED DIVIDEND TO IEPF:**

As provided in Section 125 of the Companies Act, 2013, dividend amount which was due and payable and remained unclaimed and unpaid for a period of seven years has to be transferred to Investor Education & Protection Fund (IEPF) established by the Central Government.

The dividend for the following years remaining unclaimed for seven years will be transferred by the Company to IEPF according to the schedule given below. Shareholders who have not so far encashed their dividend warrant (s) or have not received the same are requested to seek issue of duplicate warrant (s) by writing to Link Intime India Private Limited confirming non – encashment / non - receipt of dividend warrant (s). Once the unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

Financial Year	Date of Declaration	Due for Transfer to IEPF
2010-11	24/09/2011	24/10/2018
2011-12	22/09/2012	22/10/2019
2012-13	28/09/2013	28/10/2020
2013-14	24/09/2014	24/10/2021
2014-15	26/09/2015	26/10/2022
2015-16	24/09/2016	24/10/2023
2016-17	23/09/2017	23/10/2024
2017-18	29/09/2018	29/10/2025

**Mandatory Transfer of Shares to Investors Education and Protection Fund Authority in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years**

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the aforesaid rules. The Company has sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPFA, to take immediate action in the matter. As required under the IEPF Rules, the Company has also published a Notice informing the Members' who have not claimed their dividend for a period of 7 years to claim the same from the Company before they are transferred to IEPFA.

**19. DEMATERIALIZATION OF SHARES**

The Company's Shares are required to be compulsorily traded in the Stock Exchanges in dematerialized form. The Company had sent letters to shareholders holding shares in physical form emphasizing the benefits of dematerialization and 99.89% of the shares have been dematerialized so far.

The number of shares held in dematerialized and physical mode is as under:

	No. of shares	% of total capital
<b>Held in dematerialized form in NSDL</b>	<b>35603859</b>	<b>68.47</b>
<b>Held in dematerialized form in CDSL</b>	<b>16338215</b>	<b>31.42</b>
<b>Physical</b>	<b>57926</b>	<b>0.11</b>
<b>Total</b>	<b>52000000</b>	<b>100.00</b>

**20. REGISTERED OFFICE ADDRESS FOR CORRESPONDENCE**

Donear House, 8<sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093

**Works:**

**Balaji Fabrics**

Revenue Block No. 194 & 195  
Kadodara Bardoli Road, Village Jolwa,  
Taluka Palsana, Dist.Surat, Gujarat.

**Laxmi Fab.**

Government Industrial Estate, Masat,  
Silvassa, Dadra & Nagar Haveli.

**Laxmi Garment Fabrics**

Bhotika House, Plot 11/A, 3rd Floor  
5th Cross, 1st Stage, Peenya Industrial Area,  
Bangalore21.

**Balaji Textiles**

Dockmandi, Village Amli,  
Silvassa, Dadra & Nagar Haveli.

**Balaji Industries**

Dockmandi, Village Amli,  
Silvassa, Dadra & Nagar Haveli.

**NON MANDATORY REQUIREMENTS**

- Board** – Mr. Santkumar Agrawal, Mrs. Medha Pattnayak and Mr. Santanu Mukherjee are independent Directors on the Board of the Company. All of them have requisite qualification and experience and in the opinion of the Company this would enable them to contribute effectively to the Company in their capacity as Independent Directors.
- Audit Qualifications** – There are no qualifications in the audit report to the members on the Financial Account for the year ended 31<sup>st</sup> March 2019
- Shareholder Right** – The Company has not sent half yearly financial performance including summary of the significant events to each household of the shareholders, since the results were published in 2 newspapers, one in Vernacular and one in English newspaper as well as the company notifies to the Stock Exchanges where the Company shares are listed. The Audited annual report is also sent to every shareholders of the Company
- Other Non-Mandatory Requirements** - The other Non-mandatory requirements will be implemented in due course as and when required and/or deemed necessary by the Board.

## DECLARATIONS

**Compliance with the Code of Business Conduct and Ethics**

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Company's Code of Business Conduct and Ethics for the year ended 31<sup>st</sup> March, 2019.

For **Donear Industries Limited**

**Rajendra V. Agarwal**  
Managing Director

Mumbai  
10<sup>th</sup> August,2019

## CERTIFICATE

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s Donear Industries Limited, having its Registered office at Donear House, 8<sup>th</sup> Floor, Plot No. A – 50, Road No. 1, MIDC, Andheri (East) Mumbai – 400 093, Maharashtra and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended on 31<sup>st</sup> March, 2019, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such Statutory authority.

**Yogesh M. Sharma**  
**ACS: 33235**  
**C. P: 12366**

Mumbai  
10<sup>th</sup> August,2019



## CERTIFICATION

We, the undersigned of the Company hereby certify that :

1. We have reviewed the financial statements and the cash flow statement for the year 31<sup>st</sup> March 2019 and that to the best of their knowledge and belief :
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies and
4. We have indicated to the Auditors and the Audit committee that there are:
  - significant changes in internal control over financial reporting during the year ,if any;
  - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - No instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Donear Industries Limited**

**Rajendra V. Agarwal**  
Managing Director

**Ashok Agarwal**  
Chief Financial Officer

**Mumbai**  
10<sup>th</sup> August, 2019

## INDEPENDENT AUDITORS' REPORT

**To the Members of DONEAR INDUSTRIES LIMITED**

**Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the Financial Statements of **DONEAR INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), 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 the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the 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 together with ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Revenue Recognition</b>	<b>Principle Audit Procedures</b>
For the year ended March 31, 2019 the Company has recognized revenue from contracts with customers amounting to Rs. 59,423.40 lakhs. Revenue from contracts with customers 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. The Company has generally concluded that as principal, it typically controls the goods or services before transferring them to the customer. The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the correct period. Revenue is measured net of returns and allowances, cash discounts, trade discounts and volume rebates (collectively 'discount and rebates'). There is a risk that these discount and rebates are incorrectly recorded as it also requires a certain degree of estimation, resulting in understatement of the associated expenses and accrual. Revenue is also an important element of how the Company measures its performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	<p>Our audit procedures included the following:-</p> <ul style="list-style-type: none"> <li>Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'.</li> <li>Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates.</li> <li>Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples checked that the revenue has been recognized as per the shipping terms.</li> <li>To test cut off selected sample of sales transactions made pre- and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods.</li> <li>Tested the provision calculations related to management incentives, discounts and rebates by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents.</li> </ul>

### **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Financial Statements and our auditors' report thereon.

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

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

### **Responsibilities of Management and Those charged with Governance for the Financial Statements**

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified

under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Management and Board of Directors are 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 also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Financial Statements have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the Financial Statements.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- g) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its Financial Statement (Refer Note No. 30 to the Financial Statements).
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivatives contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For Kanu Doshi Associates LLP  
Chartered Accountants  
FRN. No. 104746W/W100096

Kunal Vakharia  
Partner  
Membership no. 148916

Place: Mumbai  
Date: May 30, 2019

## ANNEXURE A TO THE AUDITOR'S REPORT

Referred to in paragraph 2 of '**Report on other Legal and Regulatory Requirements**' in our Report of even date on the accounts of **DONEAR INDUSTRIES LIMITED** for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (c) According to 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 are held in the name of the Company.
- ii. During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records have been properly dealt with in the books of accounts.
- iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) to (c) of clause 3(iii) are not applicable to the Company.
- iv. The company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of investments made and Section 185 of the Companies Act, 2013 is not applicable as there were no such loans, securities or guarantees provided during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has prescribed maintenance of cost records for the company under sub Section (1) of Section 148 of the Companies Act, 2013 and such accounts and records have been made and maintained by the Company. However, no detailed examinations of such records have been carried out by us.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess, Goods & Service Tax and any other material statutory dues applicable to it.
- (b) According to the records of the Company, there are no dues of Duty, Income Tax and Customs Duty which have not been deposited on account of any dispute except disclosed below:

The disputed amounts that have not been deposited in respect of Income Tax, Sales Tax and Excise Duty are as under:

Sr. No.	Name of the Statute	Nature of the dues	Forum where the dues is pending	Rs. In Lacs
1	Central Excise Act, 1944	Dues of Excise Duty	Commissioner of Central Excise (Appeals)	4.17

- viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to banks during the year. The Company has not taken any loan or borrowing from government, financial institutions and has not issued debentures during the year.
- ix. On the basis of our examination of the documents and records and according to the information and explanations given to us, we are of the opinion that term loans have been applied for the purposes for which they were obtained. The company has not raised moneys by way of Initial Public Offer or further public offer (including debt instruments) during the year.
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and 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 convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the 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 him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the company is not required to obtain registration under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

For Kanu Doshi Associates LLP  
Chartered Accountants  
FRN. No. 104746W/W100096

Kunal Vakharia  
Partner  
Membership no. 148916

Place: Mumbai  
Date: May 30, 2019

## ANNEXURE B TO THE AUDITORS' REPORT

(Referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **DONEAR INDUSTRIES LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

The Company's Board of Directors are 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 Act.

#### **Auditors' Responsibility**

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

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

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

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

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

**Opinion**

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

For Kanu Doshi Associates LLP  
Chartered Accountants  
FRN. No. 104746W/W100096

Kunal Vakharia  
Partner  
Membership no. 148916

Place: Mumbai  
Date: May 30, 2019

## BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in Lacs)

Particulars	Note No.	As at 31.03.2019		As at 31.03.2018	
<b>I ASSETS</b>					
(1) <b>Non - Current Assets</b>					
(a) Property, Plant and Equipment	3	6,754.54		7,105.37	
(b) Capital Work-in-progress	4	63.48		193.91	
(c) Investment Property	5	1,040.88		1,155.83	
(d) Other Intangible Assets	6	27.54		28.97	
(e) Financial Assets					
(i) Investment	7	98.40		98.40	
(ii) Other Non-Current Financial Assets	8	176.53		177.62	
(f) Deferred Tax Assets (Net)	9	876.98		1,140.53	
(g) Other Tax Assets (Net)	10	61.52		58.79	
(h) Other Non-Current Assets	11	89.42	9,189.29	165.36	10,124.78
(2) <b>Current Assets</b>					
(a) Inventories	12	21,449.15		20,658.60	
(b) Financial Assets					
(i) Trade Receivables	13	14,361.65		13,516.22	
(ii) Cash and Cash Equivalents	14	566.86		214.68	
(iii) Bank balances other than (ii) above	15	628.60		342.38	
(iv) Other Current Financial Assets	16	263.55		281.33	
(c) Other Current Assets	17	3,845.08	41,114.89	2,654.29	37,667.50
<b>TOTAL ASSETS</b>			<b>50,304.18</b>		<b>47,792.28</b>
<b>II EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
(1) <b>Shareholder's fund</b>					
(a) Equity Share Capital	18	1,040.00		1,040.00	
(b) Other Equity	19	10,116.46	11,156.46	8,826.50	9,866.50
<b>LIABILITIES</b>					
(2) <b>Non-current liabilities</b>					
(a) Financial Liabilities					
(i) Non Current Borrowings	20	296.97		936.21	
(ii) Other Financial Liabilities	21	1,701.33		1,533.28	
(b) Other Non Current Liabilities	22	103.24	2,101.54	32.28	2,501.77
(3) <b>Current liabilities</b>					
(a) Financial Liabilities					
(i) Current Borrowings	23	29,131.59		28,633.02	
(ii) Trade Payables	24	6,159.87		4,857.37	
(iii) Other Current Financial Liabilities	25	788.32		938.91	
(b) Other Current Liabilities	26	752.15		653.18	
(c) Provisions	27	177.59		149.30	
(d) Current Tax Liabilities (Net)	28	36.66	37,046.18	192.23	35,424.01
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>50,304.18</b>		<b>47,792.28</b>

Contingent Liabilities and Commitments 29

Summary of significant accounting policies 2

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

As per our report of attached even date

**FOR KANU DOSHI ASSOCIATES LLP**

**CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**Kunal Vakharia**

Partner

**Membership No.148916**

Place : Mumbai

Date : 30th May, 2019

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

**Rajendra V. Agarwal**

Managing Director

**DIN No. 00227233**

**Ajay V. Agarwal**

Whole time Director

**DIN No. 00227279**

**Ashok B. Agarwal**

Chief Financial Officer

**Poonam Barsaiyan**

Company secretary



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Lacs)

Particulars	Note No.	2018-19	2017-18
Revenue from operations	30	59,423.40	51,408.08
Other income	31	270.86	281.31
<b>TOTAL REVENUE</b>		<b>59,694.26</b>	<b>51,689.39</b>
<u>Expenses</u>			
Cost of Materials Consumed	32	26,235.02	24,133.68
Purchases of stock-in-trade	33	4,397.37	3,177.21
Changes in inventories of finished goods, work-in-progress and stock-in-trade	34	(713.96)	(3,150.25)
Employee benefits expenses	35	7,155.48	6,313.75
Finance costs	36	2,734.23	2,832.36
Depreciation and Amortisation expense	37	955.99	1,176.14
Other expenses	38	16,678.29	15,229.81
<b>TOTAL EXPENSES</b>		<b>57,442.42</b>	<b>49,712.70</b>
Profit before exceptional items and tax		2,251.84	1,976.69
Exceptional items		-	-
<b>Profit before tax</b>		<b>2,251.84</b>	<b>1,976.69</b>
Less: Tax Expenses			
<u>Current tax</u>			
of Current Year		685.75	586.16
of Earlier Years		81.04	(0.73)
<u>Deferred tax</u>			
of Current Year		66.64	70.75
of Earlier Years		-	-
<b>TOTAL TAX EXPENSES</b>		<b>833.43</b>	<b>656.18</b>
<b>Profit after tax</b>	(A)	<b>1,418.41</b>	<b>1,320.51</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss		(5.02)	5.10
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.75	(1.84)
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		-	-
<b>Total Other Comprehensive Income for the year</b>	(B)	<b>(3.27)</b>	<b>3.26</b>
<b>Total Comprehensive Income for the year</b>	(A+B)	<b>1,415.14</b>	<b>1,323.77</b>
Earning per equity share :	39		
(1) Basic Earning Per Share		<b>2.73</b>	<b>2.54</b>
(2) Diluted Earning Per Share		<b>2.73</b>	<b>2.54</b>
(3) Face Value Per Share		<b>2.00</b>	<b>2.00</b>

Summary of significant accounting policies

2

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

As per our report of attached even date

**FOR KANU DOSHI ASSOCIATES LLP**

**CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**Kunal Vakharia**

Partner

**Membership No.148916**

Place : Mumbai

Date : 30th May, 2019

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

**Rajendra V. Agarwal**

Managing Director

**DIN No. 00227233**

**Ajay V. Agarwal**

Whole time Director

**DIN No. 00227279**

**Ashok B. Agarwal**

Chief Financial Officer

**Poonam Barsaiyan**

Company secretary

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2019

(Amount in Lacs)

Particulars	Note No.	2018-19		2017-18	
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Net Profit before tax as per Statement of Profit &amp; Loss</b>			<b>2,246.81</b>		<b>1,981.79</b>
Adjustment for :					
(a) Depreciation		955.99		1,176.14	
(b) Interest Expenses		2,335.28		2,054.87	
(c) Interest Income		(235.92)		(156.62)	
(d) (Profit) / Loss on sale of fixed assets		(3.89)		(56.28)	
(e) Fixed Assets Written Off		1.63		3.06	
(e) Provision no longer required		(2.44)		(13.71)	
(f) Allowance for Expected Credit Loss		172.74		187.15	
(g) Unrealised Foreign Exchange rate difference (Net)		263.33		161.95	
(h) Sundry Balances written off / (back) (Net)		(7.19)	3,479.53	(14.77)	3,341.79
<b>Operating Profit Before Working Capital Changes</b>			<b>5,726.34</b>		<b>5,323.58</b>
Adjustment for :					
(a) Inventories		(790.56)		(3,561.04)	
(b) Trade Receivables		(1,041.94)		(2,753.85)	
(c) Short Term Loans and Advances		224.20		293.03	
(d) Long Term Loans and Advances		(148.75)		(143.65)	
(e) Other Current Assets		(1,477.02)		(1,499.28)	
(f) Trade and Other Payables		1,376.70		1,598.67	
(g) Short Term Provisions		28.29		(21.13)	
(h) Other Current Liabilities		98.97		(146.76)	
(i) Other Long Term Current Liabilities		168.05	(1,562.06)	25.98	(6,208.03)
<b>Cash Generated From Operations</b>			<b>4,164.28</b>		<b>(884.45)</b>
(a) Direct Tax Paid (Net)			(726.44)		(366.59)
<b>Net Cash from/(used) Operating Activities</b>	<b>Total (I)</b>		<b>3,437.84</b>		<b>(1,251.04)</b>
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of Fixed Assets (including Advance for Capital Goods)		(342.08)		(591.78)	
Sale of Fixed Assets		(21.10)		97.76	
Interest received		227.50		159.87	
<b>Net Cash from/(used) Investing Activities</b>	<b>Total (II)</b>		<b>(135.68)</b>		<b>(334.15)</b>
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>					
Proceeds / (Repayment) of Borrowings (net)		(489.67)		3,790	
Interest Paid		(2,335.28)		(2,054.87)	
Dividend Paid (Including dividend distribution tax)		(125.05)		(126.04)	
<b>Net Cash from/(used) Financing Activities</b>	<b>Total (III)</b>		<b>(2,950.00)</b>		<b>1,609.10</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents (I+II+III)</b>	<b>Total</b>		<b>352.17</b>		<b>23.92</b>
<b>OPENING BALANCE OF CASH AND CASH EQUIVALENTS</b>			214.68		190.77
<b>CLOSING BALANCE OF CASH AND CASH EQUIVALENTS</b>			566.85		214.68
<b>Total</b>	<b>Total</b>		<b>352.17</b>		<b>23.92</b>
<b>Notes :</b>					
(1) <b>Cash and cash equivalents include:</b> (Refer Note No 14)					
(a) Cash in hand		26.93		32.13	
(b) Cheque in Hand		84.44		115.65	
(c) <u>Balance with Scheduled Banks</u> in Current Accounts		455.58		66.76	
Unrealised translation gain/(loss)			566.95		214.54
			(0.10)		0.14
<b>Total</b>	<b>Total</b>		<b>566.85</b>		<b>214.68</b>
(2) Interest received on delayed payments from Customers Rs.16.78 (Previous Year Rs. 29.66) has been considered as cash flow from Operating Activities.					
(3) The cash flow statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (IND AS 7) statement of cash flows.					
(4) Previous year figures have been regrouped/restated wherever considered necessary to make them comparable with those of the current year.					

As per our report of attached even date

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**Kunal Vakharia**  
Partner  
Membership No.148916

Place : Mumbai  
Date : 30th May, 2019

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

**Rajendra V. Agarwal**  
Managing Director  
DIN No. 00227233

**Ajay V. Agarwal**  
Whole time Director  
DIN No. 00227279

**Ashok B. Agarwal**  
Chief Financial Officer

**Poonam Barsaiyan**  
Company secretary

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019**

**A. Equity Share Capital**

(Rupees in Lacs)

Particulars	No of Shares	Amount
<b>Balance at at 1st April, 2017</b>	<b>52,000,000</b>	<b>1,040.00</b>
Changes in equity share capital during the year	-	-
<b>Balance at at 31st March, 2018</b>	<b>52,000,000</b>	<b>1,040.00</b>
Changes in equity share capital during the year	-	-
<b>Balance at at 31st March, 2019</b>	<b>52,000,000</b>	<b>1,040.00</b>

**B. Other Equity**

(Rupees in Lacs)

Particulars	Reservers and Surplus		Other items of Other comprehensive income	Total
	General Reserves	Retained Earnings	Remeasurement of net defined benefit plans	
<b>Balance at at 1st April, 2017</b>	<b>3,499.42</b>	<b>4,116.81</b>	<b>11.68</b>	<b>7,627.91</b>
Profit for the year	-	1,320.51	-	1,320.51
Final Dividend paid	-	(104.00)	-	(104.00)
Dividend distribution Tax paid	-	(21.17)	-	(21.17)
Remeasurements of Defined Benefit Plan	-	-	3.26	3.26
<b>Balance at at 31st March, 2018</b>	<b>3,499.42</b>	<b>5,312.14</b>	<b>14.94</b>	<b>8,826.50</b>
Profit for the year	-	1,418.41	-	1,418.41
Final Dividend paid	-	(104.00)	-	(104.00)
Dividend distribution Tax paid	-	(21.17)	-	(21.17)
Remeasurements of Defined Benefit Plan	-	-	(3.27)	(3.27)
<b>Balance at at 31st March, 2019</b>	<b>3,499.42</b>	<b>6,605.37</b>	<b>11.67</b>	<b>10,116.46</b>

As per our report of attached even date

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

**FOR KANU DOSHI ASSOCIATES LLP**

**CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**Kunal Vakharia**

Partner

**Membership No.148916**

**Rajendra V. Agarwal**

Managing Director

**DIN No. 00227233**

**Ajay V. Agarwal**

Whole time Director

**DIN No. 00227279**

Place : Mumbai

Date : 30th May, 2019

**Ashok B. Agarwal**

Chief Financial Officer

**Poonam Barsaiyan**

Company secretary

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 1 Company Overview

Donear Industries Limited ("DIL" or "The Company") is an existing public limited company incorporated on 01/01/1987 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at Donear House, 8th Floor, Plot No. A- 50, Road No. 1, MIDC , Andheri (East), Mumbai- 400093. The Company is manufacturer of fabrics having its own brand name "Donear" and also trading in garments under the brand name of "Dcot". The Company sell its product through multiple channels including wholesale, retail and dealers etc. during the year ended 31st March' 2019. The equity shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The financial statements are presented in Indian Rupee (₹).

### 2 Significant Accounting Policies

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

#### (A) Basis of Preparation of Financial Statement

##### i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India. The financial statements were authorized for issue by the Company's Board of Directors on 30th May, 2018.

These financial statements and notes have been presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs as per requirement of Schedule III, unless otherwise indicated.

##### ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except for the following :

- (a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;
- (b) Defined benefit plans where plan assets are measured at fair value.

##### iii) Current and Non Current Classification.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle (Twelve Months) and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation 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.

#### (B) Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Continuous evaluation is done on the estimation and judgments based on historical experience and various other assumptions and factors, including expectations of future events that are believed to be reasonable under existing circumstances. Difference between actual results and estimate related to accounting estimates are recognised prospectively.

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

#### (C) 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.

##### (I) Financial Assets

##### (i) Classification

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

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- (b) Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in Profit and Loss or Other comprehensive income.
- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset and in the case of a financial asset not at fair value then through Profit and Loss. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in Profit and Loss.

#### (a) Debt instruments

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

- i) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- ii) **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.
- iii) **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Profit and Loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit and Loss and is not part of a hedging relationship is recognised in Profit and Loss and presented net in the statement of Profit and Loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

#### (b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through Profit and Loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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

### (iv) Derecognition of financial assets

A financial asset is derecognised only when -

- (a) The Company has transferred the rights to receive cash flows from the financial asset or
- (b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### (II) Financial Liabilities

#### (i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through Profit and Loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

#### (ii) Derecognition

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

### (D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

### (E) Segment Report

- (i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
- (ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

### (F) Inventories Valuation

- (i) Raw materials (excluding Dyes and Chemicals), Components, Stores and Spares, Packing Materials are valued at lower of cost and net realisable value. Cost is determined on a weighted average cost basis.
- (ii) Cost of Dyes and Chemicals included in the cost of Raw Material are determined on first-in-first-out (FIFO) basis.
- (iii) Work-in-Progress and Finished Goods are valued at lower of cost and net realisable value. The cost are determined on estimated cost basis and valued on a weighted average basis.
- (iv) Traded goods are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- (v) Scrap is valued at net realisable value.
- (vi) Due allowances are made in respect of slow moving, non-moving and obsolete inventories based on estimate made by the Management.
- (vii) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### (G) Cash and cash equivalents

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

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

### (H) Income tax, deferred tax and dividend distribution tax

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

Current and deferred tax is recognised in the Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

#### (i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



## **NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019**

### **(ii) Deferred tax**

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### **(iii) Dividend distribution tax**

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

### **(I) Property, plant and equipment**

- (i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.
- (iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- (iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.
- (v) Depreciation methods, estimated useful lives and residual value
  - (a) Fixed assets are stated at cost less accumulated depreciation.
  - (b) Depreciation is provided on a pro rata basis on the written down value method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
- (vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (vii) The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

### **(J) Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both and which is not occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property, Plant and Equipment.



## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### (K) Intangible assets

- (i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.
- (ii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented / ready for use. The same is amortised over a period of 5 years on straight-line method.

### (L) Leases

#### (i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### (ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### (M) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount, rebates. The Company recognises revenue as under :

Effective 01 April, 2018, the Company has adopted Indian Accounting Standard 115 (IND AS 115) - "Revenue from contracts with customers" using the cumulative catch-up transition method applied to the contract that was not completed as on the transaction date 01st April, 2018. Accordingly the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of IND-AS 115 was insignificant.

#### (I) Sales

##### (i) The Company recognizes revenue from sale of goods & services when:

- (a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods and with regard to services, when services are rendered.
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
- (c) The amount of revenue can be reliably measured.
- (d) It is probable that future economic benefits associated with the transaction will flow to the Company.
- (e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.
- (f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### (II) Other Income

##### (i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

##### (ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

##### (iii) Export Benefits

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

### (N) Employee Benefit

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the

## **NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019**

employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments are recognised in Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### **(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

#### **(a) Defined benefit gratuity plan:**

Gratuity, which is defined benefit, is accrued based on actuarial valuation working provided by Life Insurance Corporation of India (LIC). The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year. The Company has funded the liability on account of leave benefits through LIC's Group Leave Encashment Assurance Scheme and the Contribution is charged to Statement of Profit and Loss.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### **(b) Defined Contribution plan:**

Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

### **(O) Foreign currency translation**

#### **(i) Functional and presentation currency**

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

#### **(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

### **(P) Borrowing Cost**

- (i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- (ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### **(Q) Earnings per share**

#### **(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (R) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### (S) Provisions, contingent liabilities and contingent assets

#### (i) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

#### (ii) Contingent liabilities:

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

(iii) **Contingent Assets:** Contingent Assets are disclosed, where an inflow of economic benefits is probable.

### (T) Investments

Equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

### (U) Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

### (V) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

### (W) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

### (X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lacs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No. 3 - PROPERTY, PLANT AND EQUIPMENT

Sr. No.	Particulars of Assets	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT As at 31.03.2019
		As at 01.04.2018	Purchase During the Year	Deduction during the Year	As at 31.03.2019	As at 01.04.2018	For the Year	Impairment Losses	Deduction during the Year	Upto 31.03.2019	
1.	Freehold Land	683.34	-	-	683.34	-	-	-	-	-	683.34
2.	Factory Building	2,609.40	54.03	-	2,663.43	474.08	206.87	-	-	680.95	1,982.48
3.	Office Premises	1,594.76	-	-	1,594.76	152.34	70.60	-	-	222.94	1,371.82
4.	Residential Building	23.53	-	-	23.53	2.23	1.03	-	-	3.26	20.27
5.	Plant & Machinery*	2,549.63	43.92	(170.16)	2,763.71	485.65	299.63	-	(145.17)	910.45	1,853.26
6.	Electrical Installation	156.58	18.72	-	175.30	72.63	22.06	-	-	94.69	80.61
7.	Furniture & Fixtures	663.07	180.53	-	843.60	283.82	108.53	-	-	392.35	451.25
8.	Computer	112.18	13.31	-	125.49	59.14	22.05	-	-	81.19	44.30
9.	Vehicle	184.40	71.10	4.77	250.73	50.60	53.20	-	4.53	99.27	151.46
10.	Air Conditioner	29.14	51.58	-	80.72	14.45	11.87	-	-	26.32	54.40
11.	Office Equipment	197.62	20.66	-	218.28	123.35	33.58	-	-	156.93	61.35
	<b>Total Property, Plant and Equipment</b>	<b>8,803.65</b>	<b>453.85</b>	<b>(165.39)</b>	<b>9,422.89</b>	<b>1,698.29</b>	<b>829.42</b>	<b>-</b>	<b>(140.04)</b>	<b>2,668.35</b>	<b>6,754.54</b>

Sr. No.	Particulars of Assets	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT As at 31.03.2018
		As at 01.04.2017	Purchase During the Year	Deduction during the Year	As at 31.03.2018	As at 01.04.2017	For the Year	Impairment Losses	Deduction during the Year	Upto 31.03.2018	
1.	Freehold Land	683.34	-	-	683.34	-	-	-	-	-	683.34
2.	Factory Building	2,605.48	3.92	-	2,609.40	242.35	231.73	-	-	474.08	2,135.32
3.	Office Premises	1,594.76	-	-	1,594.76	78.05	74.29	-	-	152.34	1,442.42
4.	Residential Building	23.53	-	-	23.53	1.14	1.09	-	-	2.23	21.30
5.	Plant & Machinery	2,660.66	379.04	490.07	2,549.63	500.36	417.39	-	452.10	465.65	2,083.98
6.	Electrical Installation	156.43	0.15	-	156.58	41.73	30.90	-	-	72.63	83.95
7.	Furniture & Fixtures	638.47	24.60	-	663.07	155.25	128.57	-	-	283.82	379.25
8.	Computer	87.48	26.03	1.33	112.18	31.16	29.24	-	1.26	59.14	53.04
9.	Vehicle	133.62	71.44	20.66	184.40	18.45	49.37	-	17.22	50.60	133.80
10.	Air Conditioner	24.31	4.83	-	29.14	8.52	5.93	-	-	14.45	14.69
11.	Office Equipment	175.54	22.08	-	197.62	74.42	48.93	-	-	123.35	74.27
	<b>Total Property, Plant and Equipment</b>	<b>8,783.62</b>	<b>532.09</b>	<b>512.06</b>	<b>8,803.65</b>	<b>1,151.43</b>	<b>1,017.44</b>	<b>-</b>	<b>470.58</b>	<b>1,698.28</b>	<b>7,105.37</b>

\*Note:- Plant & Machinery sold to GBTL last year have been returned and have been re-instated at same carrying value as earlier.

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### Note No. 4 - CAPITAL WORK IN PROGRESS

(Amount in Lacs)

Sr. No.	Particulars of Assets	As at 01.04.2018	Purchase During the Year	Capitalised during the Year	As at 31.03.2019
1.	Plant & Machinery	16.20	47.28	-	63.48
2.	Factory Building	5.28	48.75	54.03	-
3.	Electrical Installation	13.86	2.62	16.48	-
4.	Furniture & Fixtures	139.49	14.59	154.08	-
5.	Air Conditioner	18.33	0.20	18.53	-
6.	Office Equipment	0.75	1.60	2.35	-
	<b>Total Capital Work-In-Progress</b>	<b>193.91</b>	<b>115.04</b>	<b>245.47</b>	<b>63.48</b>

(Amount in Lacs)

Sr. No.	Particulars of Assets	As at 01.04.2017	Purchase During the Year	Capitalised during the Year	As at 31.03.2018
1.	Plant & Machinery	95.06	290.46	369.32	16.20
2.	Factory Building	-	5.28	-	5.28
3.	Electrical Installation	-	13.86	-	13.86
4.	Furniture & Fixtures	-	139.49	-	139.49
5.	Air Conditioner	-	18.33	-	18.33
6.	Office Equipment	-	0.75	-	0.75
	<b>Total Capital Work-In-Progress</b>	<b>95.06</b>	<b>468.17</b>	<b>369.32</b>	<b>193.91</b>

### Note No. 5 - INVESTMENT PROPERTY

(Amount in Lacs)

Sr. No.	Particulars of Assets	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
		As at 01.04.2018	Purchase During the Year	Deduction during the Year	As at 31.03.2019	As at 01.04.2018	For the Year	Impairment Losses	Deduction during the Year	Upto 31.03.2019	As at 31.03.2019
1.	Office Premises	1,491.59	-	-	1,491.59	335.76	114.95	-	-	450.71	1,040.88
	<b>Total Investment Property</b>	<b>1,491.59</b>	<b>-</b>	<b>-</b>	<b>1,491.59</b>	<b>335.76</b>	<b>114.95</b>	<b>-</b>	<b>-</b>	<b>450.71</b>	<b>1,040.88</b>

(Amount in Lacs)

Sr. No.	Particulars of Assets	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
		As at 01.04.2017	Purchase During the Year	Deduction during the Year	As at 31.03.2018	As at 01.04.2017	For the Year	Impairment Losses	Deduction during the Year	Upto 31.03.2018	As at 31.03.2018
1.	Office Premises	1,491.59	-	-	1,491.59	189.87	145.89	-	-	335.76	1,155.83
	<b>Total Investment Property</b>	<b>1,491.59</b>	<b>-</b>	<b>-</b>	<b>1,491.59</b>	<b>189.87</b>	<b>145.89</b>	<b>-</b>	<b>-</b>	<b>335.76</b>	<b>1,155.83</b>

Amount recognised in profit or loss for Investment Properties

	Particulars	As at 31.03.2019	As at 31.03.2018
1.	Rental Income	839.18	819.12
2.	Direct operating expenses.	158.61	168.98
3.	There are no restrictions on the realisability of investment property.		
4.	The company is using same life for the same class of asset as applicable for property plant and equipment.		
5.	The company is currently using the property as godown for old machinery.		
	<b>Fair Value</b>		
1.	Investment property - Land and Building, the market value has not been ascertained.		
2.	The range of estimates within which fair value is highly likely to lie- Between Rs.50 Crores to 65 Crores		

### Note No. 6 - OTHER INTANGIBLE ASSETS

(Amount in Lacs)

Sr. No.	Particulars of Assets	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
		As at 01.04.2018	Purchase During the Year	Deduction during the Year	As at 31.03.2019	As at 01.04.2018	For the Year	Impairment Losses	Deduction during the Year	Upto 31.03.2019	As at 31.03.2019
1.	Computer Software	57.20	11.57	2.46	66.31	28.23	11.60	-	1.06	38.77	27.54
	<b>Total Other Intangible Assets</b>	<b>57.20</b>	<b>11.57</b>	<b>2.46</b>	<b>66.31</b>	<b>28.23</b>	<b>11.60</b>	<b>-</b>	<b>1.06</b>	<b>38.77</b>	<b>27.54</b>

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Lacs)

Sr. No.	Particulars of Assets	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
		As at 01.04.2017	Purchase During the Year	Deduction during the Year	As at 31.03.2018	As at 01.04.2017	For the Year	Impairment Losses	Deduction during the Year	Upto 31.03.2018	As at 31.03.2018
1.	Computer Software	50.78	12.29	5.87	57.20	18.23	12.81	-	2.81	28.23	28.97
	Total Other Intangible Assets	50.78	12.29	5.87	57.21	18.23	12.81		2.81	28.23	28.97

## 7. INVESTMENT

Particulars	Face Value	As at 31.03.2019		As at 31.03.2018	
	Amt. in Lacs	Qty	Amt. in Lacs	Qty	Amt. in Lacs
<b>Unquoted (At FVTPL)</b>					
<b>Equity Instruments</b>					
Palsana Enviro Protection Ltd.	100	72,000	98.40	72,000	98.40
<b>Total</b>			<b>98.40</b>		<b>98.40</b>

## 8. OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(Unsecured, considered good, unless otherwise stated)		
(a) Security Deposits	172.50	174.57
(b) Loan to Staff	4.03	3.05
<b>Total</b>	<b>176.53</b>	<b>177.62</b>

## 9. DEFERRED TAX ASSETS (Net)

	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(a) Deferred tax Assets (Net) (Refer Note 9.1)	876.98	1,140.53
<b>Total</b>	<b>876.98</b>	<b>1,140.53</b>

## Note No.: 9.1

Particulars	As at 01.04.2018	Recognised in statement of profit and loss	Recognised in OCI	Reclassified as MAT credit	As at 31.03.2019
<b>Deferred Tax Assets/(Liabilities)</b>					
Property, plant and equipment/Investment Property/Other Intangible Assets	798.45	138.48	-	-	659.97
Fair Value through Profit & Loss	(105.55)	14.25	-	-	(119.80)
Expenses allowable under income tax on payment basis	26.45	(25.73)	-	-	52.17
Mat Credit Entitlement	196.91	103.05	-	93.86	-
Allowance for Bad & Doubtful Debts	224.28	(60.36)	-	-	284.64
	<b>1,140.53</b>	<b>169.69</b>	<b>-</b>	<b>93.86</b>	<b>876.98</b>

Particulars	As at 01.04.2017	Recognised in statement of profit and loss	Recognised in OCI	Reclassified as MAT credit	As at 31.03.2018
<b>Deferred Tax Assets/(Liabilities)</b>					
Property, plant and equipment/Investment Property/Other Intangible Assets	972.29	173.84	-	-	798.45
Fair Value through Profit & Loss	(127.39)	(21.84)	-	-	(105.55)
Expenses allowable under income tax on payment basis	12.12	(14.33)	-	-	26.45
Mat Credit Entitlement	278.00	-	-	81.10	196.91
Allowance for Bad & Doubtful Debts	157.35	(66.93)	-	-	224.28
	<b>1,292.37</b>	<b>70.75</b>	<b>-</b>	<b>81.10</b>	<b>1,140.53</b>

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### Income tax

The major components of income tax expense for the year ended 31.03.2019

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Profit and Loss:</b>		
Current tax – net of reversal of earlier years : Rs. 81.04 (31 March 2018: Rs.0.73 lakhs)	768.54	585.43
Deferred Tax– net of reversal of earlier years : Rs. Nil (31 March 2018: Rs. Nil)	66.64	70.75
Income	<b>835.18</b>	<b>656.18</b>

### Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Profit before income tax expense	2,256.86	1,976.69
Tax at the Indian tax rate 34.608%	788.64	684.09
<b>Add: Items giving rise to difference in tax</b>		
Effect of non-deductible expenses	9.26	(21.02)
Expenses allowable under income tax on payment basis	-	(0.25)
Timing difference	-	2.46
Transition Effect	-	(8.16)
House Property Standard Deduction	(82.94)	-
Earlier year Tax Impact	117.03	-
Others	3.19	(0.94)
Income Tax Expenses	<b>835.18</b>	<b>656.18</b>

**Note:** The figures have been regrouped/reclassified, wherever necessary.

### 10. NON-CURRENT TAX ASSETS

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(a) Advance Tax and Tax deducted at source [Net of Current Tax provision]	61.52	58.79
<b>Total</b>	<b>61.52</b>	<b>58.79</b>

### 11. OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(Unsecured, considered good, unless otherwise stated)		
(a) Capital Advances	38.34	66.13
(b) Other Deposits	25.00	25.00
(c) Advance recoverable in cash or in kind or for value to be received	26.08	74.23
<b>Total</b>	<b>89.42</b>	<b>165.36</b>

### 12. INVENTORIES

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(a) Raw Material	4,032.06	4,107.30
(b) Semi Finished Goods	3,393.18	4,121.01
(c) Finished Goods (Refer Note No. 12.1)	9,234.32	8,160.63
(d) Traded Finished Goods	3,555.83	3,187.73
(e) Stores & Tools	756.54	647.23
(f) Packing Material	477.22	434.70
<b>Total</b>	<b>21,449.15</b>	<b>20,658.60</b>

**Note No 12.1: Finished Goods inventory includes Goods-in transit Rs. 65.07 lacs (as at 31.03.2018 - Rs. 25.12 lacs)**

**Note No 12.2: Finished Goods inventory includes Goods available with Third Parties on SOR Basis - Rs.3063.56 lacs (as at 31.03.2018 - Rs. 2788.62 lacs)**



## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 13. TRADE RECEIVABLES

Particulars	As at 31.03.2019 Amt. in Lacs		As at 31.03.2018 Amt. in Lacs	
(Unsecured)				
(a) Considered Good (Refer No. 13.1 & 49)	14,361.65		13,516.22	
(b) Considered Doubtful	813.55		641.81	
	15,175.20		14,158.03	
Less: Allowance for Expected Credit Loss	813.55	14,361.65	641.81	13,516.22
<b>Total</b>		<b>14,361.65</b>		<b>13,516.22</b>

**Note No. 13.1: Balance of Debtors includes Rs. Nil (31.03.2018 Rs. 222.81 lacs) which are overdue but no provision has been made in the accounts as Management is hopeful of recovery.**

#### Movement in the allowance of Expected Credit Loss

Particulars	As at 31.03.2019 Amt. in Lacs		As at 31.03.2018 Amt. in Lacs	
(a) Balance at the beginning of the year	641.81		454.66	
(b) Less: Amounts written off during the year (net)	-	641.81	-	454.66
(c) Changes in allowance for doubtful receivables		171.74		187.15
(d) Balance at end of the year		<b>813.55</b>		<b>641.81</b>

### 14. CASH AND CASH EQUIVALENTS

Particulars	As at 31.03.2019 Amt. in Lacs		As at 31.03.2018 Amt. in Lacs	
(a) Balance with banks				
- In Current Account	455.61		66.76	
(b) Cheques, Drafts in Hand	84.44		115.65	
(c) Cash In Hand	26.81	566.86	32.27	214.68
<b>Total</b>		<b>566.86</b>		<b>214.68</b>

### 15. BANK BALANCES

Particulars	As at 31.03.2019 Amt. in Lacs		As at 31.03.2018 Amt. in Lacs	
(a) Unpaid Dividend Account (Refer Note No. 15.1)	2.04		1.92	
(b) Margin Money Deposits (Refer Note No. 15.2)	626.56	628.60	340.46	342.38
<b>Total</b>		<b>628.60</b>		<b>342.38</b>

There are no amount due for payment to the Investor Education & Protection Fund under section 125 of Companies Act, 2013 as at the year end.

#### **Note No 15.1**

The Company can utilise these balances towards settlement of unpaid dividend only.

#### **Note No 15.2**

Margin money deposits amounting to Rs. 626.56 lakhs ( as at 31.03.2018 - Rs.340.46 lakhs) are lying with bank against Bank Guarantees and Letter of Credit.

### 16. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(Unsecured, considered good, unless otherwise stated)		
(a) Deposits	11.96	9.16
(b) Interest Receivable	73.31	110.19
(c) Loans to Staff	178.28	161.98
<b>Total</b>	<b>263.55</b>	<b>281.33</b>

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 18. OTHER CURRENT ASSETS

Particulars	As at 31.03.2018 Amt. in Lacs	As at 31.03.2017 Amt. in Lacs
(Unsecured, considered good, unless otherwise stated)		
(a) Trade Advances	409.51	329.67
(b) Advance recoverable in cash or in kind or for value to be received	186.25	186.10
(c) Export Incentive Receivable	1,672.89	1,062.13
(d) Balance with Government Authorities	1,520.80	1,074.64
(e) Others	55.63	1.75
<b>Total</b>	<b>3,845.08</b>	<b>2,654.29</b>

### 18. EQUITY SHARE CAPITAL

Particulars	Face Value Amt. in Lacs	As at 31.03.2019		As at 31.03.2018	
		Qty	Amt. in Lacs	Qty	Amt. in Lacs
(a) <b>Authorised Shares</b>					
Equity Instruments					
Equity Shares	2	160,000,000	3,200.00	160,000,000	3,200.00
(b) <b>Issued, Subscribed and Fully Paid Up Shares</b>					
Equity Instruments					
Equity Shares	2	52,000,000	1,040.00	52,000,000	1,040.00
<b>Total</b>			<b>1,040.00</b>		<b>1,040.00</b>

**Note No 18.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2019 :**

Particulars	Face Value	As at 31.03.2019		As at 31.03.2018	
	Amt. in Lacs	No. of shares	Value (in Lacs.)	No. of shares	Value (in Lacs.)
(a) Number of shares at the beginning	2	52,000,000	1,040.00	52,000,000	1,040.00
(b) Add : Shares issued during the year	-	-	-	-	-
(c) Less : Shares bought back (if any)	-	-	-	-	-
<b>(d) Number of shares at the end</b>		<b>52,000,000</b>	<b>1,040.00</b>	<b>52,000,000</b>	<b>1,040.00</b>

**Note No 18.2: Terms / rights attached to equity shares:**

- (a) The company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. There is no interim dividend proposed by the Board of Directors.
- (b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note No 18.3: The details of shareholders holding more than 5% shares in the company:**

Sr. No.	Name of the shareholders	Face Value	As at 31.03.2019		As at 31.03.2018	
		Amt. in Lacs	No. of shares held	% of shares held	No. of shares held	% of shares held
1.	Rahul R. Agarwal	2	4,756,901	9.15%	4,596,000	8.84%
2.	Bhavardevi Agarwal	2	4,806,785	9.24%	2,768,000	5.32%
3.	Rajendra Agarwal	2	3,861,814	7.43%	3,856,814	7.42%
4.	Ajay Agarwal	2	3,729,500	7.17%	3,729,500	7.17%
5.	Surya A. Agarwal	2	3,643,750	7.01%	3,640,750	7.00%
6.	Neena Agarwal	2	2,917,750	5.61%	2,917,750	5.61%
<b>Total</b>			<b>23,716,500</b>	<b>45.61%</b>	<b>21,508,814</b>	<b>41.36%</b>

**Note No 18.4:** The Board of Directors have recommended dividend of Rs.0.20 per Share (Previous Year Rs.0.20 per share) to be distributed to equity shareholders for the year ended 31.03.2019 as Final Dividend. The total amount of dividend shall be Rs.125.17 lakhs (including dividend distribution tax Rs.21.38 lakhs), (Previous Year Rs.125.17 lakhs including dividend distribution tax Rs.21.17 lakhs).

(i) Dividend paid during the year	As at 31.03.2019	As at 31.03.2018
Final Dividend	104.00	104.00
Dividend distribution tax on above dividend	21.17	21.17
<b>(ii) Dividend not recognised at the end of the reporting period</b>		
Proposed dividend not recognised at the end of the reporting period	104.00	104.00
Dividend Tax not recognised at the end of the reporting period	21.38	21.17

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 19. OTHER EQUITY

Particulars	As at 31.03.2019	As at 31.03.2018
	Amt. in Lacs	Amt. in Lacs
<b>Reserves &amp; surplus*</b>		
(a) General Reserves ++	3,499.42	3,499.42
(b) Retained earnings	6,605.37	5,312.14
(c) Other Comprehensive Income (OCI)		
-Remeasurement of net defined benefit plans	11.67	14.94
<b>Total</b>	<b>10,116.46</b>	<b>8,826.50</b>

\* For movement, refer statement of changes in equity.

++ General reserve reflects amount transferred from statement of profit and loss in accordance with regulations of the Companies Act, 2013.

### 20. NON CURRENT BORROWING

Particulars	As at 31.03.2019		As at 31.03.2018	
	Amt. in Lacs		Amt. in Lacs	
(a) <b>Secured Loans</b> (Refer Note No. 20.1)				
<b>Term Loans - From Bank</b>				
Indian Rupee	1,012.20		1,766.81	
Less : Current Maturities of Long Term Debts	715.23	296.97	830.60	936.21
<b>Total</b>		<b>296.97</b>		<b>936.21</b>

#### Note No 20.1: Nature of Securities - For Facility of Term Loan

Sr. No.	Name of the Bank	Primary	Collateral	Guarantee
1	State Bank of India	First charge on the fixed assets created out of loan and the existing fixed assets also	Second charge on the current assets of the company	Personal Guarantee of Promoter Directors Shri. Rajendra V Agarwal.
2	Yes Bank Limited	First Pari Passu Charge on all the present and future current assets of the Borrower.	Second Pari Passu Charge on all the fixed assets of the Borrower except the corporate office at MIDC, Andheri East	Personal Guarantee of Mr. Rajendra Agarwal.

#### Note No 20.2: Terms of Repayment

Facility	Sr. No.	Term Loan taken from (Bank's Name)	Loan taken in the year	Loan installment started / starting from	Interest Rate (In %)	Total No of installments (Quarterly)	Repayment Amount (Quarterly)
Term Loan	1	State Bank of India	2007-2008	Apr '09	15.00%	32	165.00
	2	Yes Bank Limited	2017-2018	Mar '18	10.60%	20	23.65

### 21. OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	As at 31.03.2019	As at 31.03.2018
	Amt. in Lacs	Amt. in Lacs
(a) <b>Others</b>		
Security Deposits from Leased Property (Refer Note No. 21.1)	295.85	335.14
Deposits from dealers (Refer Note No. 21.1)	1,405.48	1,198.14
<b>Total</b>	<b>1,701.33</b>	<b>1,533.28</b>

**Note No 21.1:** These Deposits are interest free deposit and repayable on termination of agreement unless otherwise agreed.

### 22. OTHER NON CURRENT LIABILITIES

Particulars	As at 31.03.2019	As at 31.03.2018
	Amt. in Lacs	Amt. in Lacs
(a) <b>Others</b>		
Unearned Income on security deposit received	103.24	32.28
<b>Total</b>	<b>103.24</b>	<b>32.28</b>

### 23. CURRENT BORROWING

Particulars	As at 31.03.2019		As at 31.03.2018	
	Amt. in Lacs		Amt. in Lacs	
(a) <b>Secured Loans</b> (Refer Note No. 23.1)				
<b>From Bank</b>				
(i) Working Capital Loans	17,529.81		17,183.29	
(ii) Cash Credit	6,704.20		7,164.40	
(iii) Export Packing Credit	476.83	24,710.84	232.88	24,580.57

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	As at 31.03.2019 Amt. in Lacs		As at 31.03.2018 Amt. in Lacs	
(b) <b>Unsecured Loans</b>				
<b>Loans and Advances from Related Party</b>				
(i) From Directors		4,420.75		4,052.45
<b>Total</b>		<b>29,131.59</b>		<b>28,633.02</b>

### Note No 23.1: Nature of Securities

Sr. No.	Name of the Bank	Primary	Collateral	Guarantee	Facility Availed
1	State Bank of India	First pari Passu charge by way of Hypothecation of the entire current assets of the company, both present & future.	Second Pari Passu charge on land and building & Plant & Machinery located at Plot 213, 1 Phase , GIDC, Umbergaon, Valsad, Gujarat, Revenue Block No 194/195/206 Kadodara Bardoli Road, Village Jowla, Palsana-394305, Plot No 910/1, Dockmardi Amli Village, Silvassa, 396230, B/58 Masat Industrial Estate, Silvassa, 396230	Personal Guarantee of Promoter Directors Rajendra V Agarwal.	Working Capital Limits (CC/WCDL/ EPC/FUBD/ FBP/LC/BG)
2	Dena Bank	First pari Passu charge on the entire current assets of the company, both present & future	Second Pari Passu charge on the fixed assets of the company (present & future) Except Land and Building at Plot No. -A/49 and A/50, Marol MIDC, Andheri (East), Mumbai and Land admeasuring 3200 M at Surat given to 4 subsidiaries of Promoters		Working Capital Limits (CC/WCDL/ EPC/FUBD/ FBP/LC/BG)
3	Indian Bank	Hypothecation of Stock, Book Debts & other current assets present & future	Second Pari passu charge on the entire fixed assets of the Company Excluding Land & Building of Corporate office at MIDC, Andheri (East)		Working Capital Limits (CC)
4	Bank of Baroda	Hypothecation of Stock, Book Debts & other current assets present & future	Second Pari passu charge on the entire fixed assets of the Company Excluding Land & Building of Corporate office at MIDC, Andheri (East)		Working Capital Limits (CC)
5	Yes Bank Limited	First Pari Passu Charge on all the present and future current assets of the Borrower.	Second Pari Passu Charge on all the fixed assets of the Borrower except the corporate office at MIDC, Andheri East		Working Capital Limits (CC)

### 24. TRADE PAYABLES

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(a) Dues of micro and small enterprises (Refer Note No. 24.1)	-	-
(b) Dues other than micro and small (Refer Note No. 24.1 enterprises)	6,159.87	4,857.37
<b>Total</b>	<b>6,159.87</b>	<b>4,857.37</b>

#### Note No 24.1:

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given.

### 25. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(a) Current maturities of long-term debts (Refer Note No. 21)	715.23	830.60
(b) Unpaid Dividend	2.04	1.92
(c) Sundry Creditors for Capital Goods	66.46	100.37
(d) Deposits	4.59	6.02
<b>Total</b>	<b>788.32</b>	<b>938.91</b>

### 26. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2019 Amt. in Lacs		As at 31.03.2018 Amt. in Lacs	
(a) Advance from Customers	619.02		521.84	
(b) Unearned Income on security deposit received	-		19.26	
(c) Statutory Dues Payable	133.13	752.15	112.08	653.18
<b>Total</b>		<b>752.15</b>		<b>653.18</b>

**NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**27. PROVISIONS**

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(a) Provision for Employee Benefits		
Leave Encashment	138.06	128.93
Gratuity (Refer Note No. 43)	39.53	20.37
<b>Total</b>	<b>177.59</b>	<b>149.30</b>

**28. CURRENT TAX LIABILITIES (Net)**

Particulars	As at 31.03.2019 Amt. in Lacs	As at 31.03.2018 Amt. in Lacs
(a) Provision for Taxation [Net of Tax Payments]	36.66	192.23
<b>Total</b>	<b>36.66</b>	<b>192.23</b>

**29. CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	As at 31.03.2019 Amt. in Lacs		As at 31.03.2018 Amt. in Lacs	
(a) <b>Contingent Liability not provided for in respect of</b>				
(i) Claims against the Company not acknowledged as debt		45.85		45.85
(ii) <u>Other money for which the company is contingently liable :</u>				
Disputed Sales Tax Liability	Nil		Nil	
Excise Duty Liability	4.17		4.17	
Other Government Dues	133.78		76.94	
Bonds executed under EPCG Schemes to Customs Authorities	843.82	1,000.27	786.11	867.22
(b) Commitments not provided for in respect of				
(i) Estimated amount of contracts remaining to be executed on capital account (net of advances)		58.41		93.98
<b>Total</b>		<b>1,104.53</b>		<b>1,007.05</b>

**30. REVENUE FROM OPERATIONS**

Particulars	2018-2019 Amt. in Lacs		2017-2018 Amt. in Lacs	
(a) Sale of Products		56,669.00		48,174.57
(b) Sale of Services		2,341.52		2,685.62
(c) <u>Other Operating Revenue</u>				
Sale of Scrap	160.95		117.16	
Export Incentives	251.93		383.03	
Other Income	-	412.88	47.70	547.89
		<b>59,423.40</b>		<b>51,408.08</b>

**31. OTHER INCOME**

Particulars	2018-2019 Amt. in Lacs		2017-2018 Amt. in Lacs	
(a) <u>Interest income</u>				
Interest on Deposit with Bank	32.10		21.53	
Interest received on Tax Refunds	-		-	
Fair Valuation of Financial Assets	187.49		130.30	
Unwinding of interest on security deposits	16.33		4.79	
Interest on delayed payments from Customers	16.78	252.70	29.66	186.28
(b) <u>Other non-operating income</u>				
Net gain on Sale of Fixed Asset	3.89		56.28	
Provision no longer required, written back	2.44		13.71	
Miscellaneous Income	11.83	18.16	25.04	95.03
<b>Total</b>		<b>270.86</b>		<b>281.31</b>

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 32. COST OF MATERIALS CONSUMED

Particulars	2018-2019 Amt. in Lacs		2017-2018 Amt. in Lacs	
Raw Material Consumed				
Opening Stock of Raw Material	4,107.30		3,821.01	
Add : Purchases of Raw Material	26,159.78		24,419.97	
Less : Closing Stock of Raw Material	4,032.06	26,235.02	4,107.30	24,133.68
<b>Total of Cost of materials consumed</b>		<b>26,235.02</b>		<b>24,133.68</b>

### 33. PURCHASES OF STOCK IN TRADE

Particulars	2018-2019 Amt. in Lacs	2017-2018 Amt. in Lacs
(a) Finish Fabric Purchases	2,502.28	1,723.60
(b) Grey Fabric Purchases	1,093.73	840.94
(c) Garment Purchases	801.36	612.68
<b>Total</b>	<b>4,397.37</b>	<b>3,177.22</b>

### 34. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	2018-2019 Amt. in Lacs		2017-2018 Amt. in Lacs	
(a) <b>Inventories at the end of the year</b>				
Finished Goods	9,234.32		8,160.63	
Work in Progress	3,393.18		4,121.01	
Stock-in-Trade	3,555.83	16,183.33	3,187.73	15,469.37
(b) <b>Inventories at the beginning of the year</b>				
Finished Goods	8,160.63		7,176.93	
Work in Progress	4,121.01		2,184.36	
Stock-in-Trade	3,187.73	15,469.37	2,957.83	12,319.12
<b>Total</b>		<b>(713.96)</b>		<b>(3,150.25)</b>

### 35. EMPLOYEE BENEFITS EXPENSE

Particulars	2018-2019 Amt. in Lacs	2017-2018 Amt. in Lacs
(a) Salaries, Wages & Other Benefits	6,727.01	5,864.53
(b) Contribution to Provident Fund and Other Funds	289.88	292.48
(c) Staff Welfare Expenses	138.59	156.74
<b>Total</b>	<b>7,155.48</b>	<b>6,313.75</b>

### 36. FINANCE COSTS

Particulars	2018-2019 Amt. in Lacs		2017-2018 Amt. in Lacs	
(a) Interest expenses				
(i) Interest on Term Loan from bank	175.01		197.10	
(ii) Interest on Other Bank Loan	1,989.51		1,635.92	
(iii) Unwinding of interest on security deposits	170.75		221.75	
(iv) Other interest	-	2,335.27	0.09	2,054.86
(b) Other Borrowing Cost				
(i) Processing Charges		42.46		107.10
(c) Net Loss on Foreign Currency Transactions Considered as Borrowing Cost		356.50		670.40
<b>Total</b>		<b>2,734.23</b>		<b>2,832.36</b>

### 37. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	2018-2019 Amt. in Lacs	2017-2018 Amt. in Lacs
(a) Depreciation on Property, Plant and Equipment (Refer Note No. 3)	829.44	1,017.44
(b) Depreciation on Investment Property (Refer Note No. 5)	114.95	145.89
(c) Amortisation on Intangible Assets (Refer Note No. 6)	11.60	12.81
<b>Total</b>	<b>955.99</b>	<b>1,176.14</b>

**NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**38. OTHER EXPENSES**

Particulars	2018-2019 Amt. in Lacs		2017-2018 Amt. in Lacs	
Consumption of Stores & Spares		853.69		866.39
Manufacturing & Processing Charges		841.93		527.82
Weaving Charges		2,030.80		1,787.24
Other Labour Charges		1,996.99		1,633.02
Power and Fuel		3,719.45		3,585.88
Repairs and Maintenance				
On Building	45.14		74.76	
On Machinery	237.19		157.26	
On Others	317.61	599.94	286.49	518.51
Security Charges		31.04		28.17
Brokerage on purchase		19.45		20.20
Legal & Professional Expenses		302.56		179.76
Travelling & Conveyance		542.53		529.59
Net Loss / (Gain) on Foreign Currency Transactions		56.84		27.85
Insurance Charges		54.71		51.47
Packing Material Consumed		1,859.39		1,736.35
Rates & Taxes		93.42		132.27
Rent Expense		373.50		322.67
Interest Expenses		288.30		62.74
Printing & Stationery		88.92		96.24
Postage, Telegram & Telephone		184.07		161.11
Payment to Statutory Auditor (Refer Note No. 38.1)		8.61		9.65
Sundry Balance Write off (Net)		-		-
Fixed Assets Written Off		1.63		3.06
Allowance for Expected Credit Loss		172.74		187.15
Bank Charges		107.83		73.50
Transportation Expenses		529.29		525.79
Sample Expenses		266.99		341.44
Advertisement & Sales Promotion		913.17		733.57
Sales Commission		583.17		801.46
Miscellaneous Expenses		157.33		286.91
		<b>16,678.29</b>		<b>15,229.81</b>

**Note No. 38.1 - Payment to Statutory Auditor:**

Particulars	2018-2019 Amt. in Lacs		2017-2018 Amt. in Lacs	
<u>Statutory Auditors Remuneration</u>				
<u>As an auditor</u>				
- Audit Fees (including Limited Review)	7.00		7.00	
- Out of Pocket Expenses	0.06	7.06	-	7.00
<u>Other capacity</u>				
- Certification	-		0.40	
- Other Services	0.30	0.30	1.00	1.40
<u>Cost Auditors Remuneration</u>				
- Audit Fees		1.25		1.25
		<b>8.61</b>		<b>9.65</b>



## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 39. EARNING PER SHARE (EPS)

**Earning Per Share (EPS) - the numerators and denominators used to calculate Basic and Diluted earning per share :**

Particulars	2018-2019		2017-2018	
	Description	Value	Description	Value
(a) Profit attributable to Equity Shareholders	(In Lacs.)	1,418.41	(In Lacs.)	1,320.51
(b) Number of Equity Shares outstanding during the year	(In Nos.)	52,000,000	(In Nos.)	52,000,000
(c) Face Value of each Equity Share	(In Rs.)	2.00	(In Rs.)	2.00
(d) Basic / Diluted earning per share (a) / (b)	(In Rs.)	2.73	(In Rs.)	2.54

### 40. SEGMENT REPORTING

#### (i) Information About Primary Business Segment

Sr. No.	Particulars	2018-2019				2017-2018			
		Segments			Total	Segments			Total
		Textiles	Rentals	Unallocable		Textiles	Rentals	Unallocable	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a)	<b>Revenue</b>								
	Segment Revenue	58,584.21	839.18	-	59,423.39	50,608.70	799.39	-	51,408.08
(b)	<b>Result</b>								
	Segment Results	6,246.61	680.57	-	6,927.18	5,906.84	630.41	-	6,537.25
	Less : Finance Cost	-	-	2,734.24	2,734.24	-	-	2,832.37	2,832.37
	Less: Unallocated Corporate Expenses Net of Unallocated Corporate Income	-	-	1,941.11	1,941.11	-	-	1,728.19	1,728.19
	Less: Extra Ordinary Items	-	-	-	-	-	-	-	-
	<b>Profit Before Tax</b>	<b>6,246.61</b>	<b>680.57</b>	<b>(4,675.35)</b>	<b>2,251.83</b>	<b>5,906.84</b>	<b>630.41</b>	<b>(4,560.56)</b>	<b>1,976.69</b>
	Less: Provision For Tax (Net of Deferred Tax)	81.04	-	752.39	833.43	-	-	656.18	656.18
	Net Profit After Tax & Before Prior Period Adjustments	<b>6,165.57</b>	<b>680.57</b>	<b>(5,427.74)</b>	<b>1,418.40</b>	<b>5,906.84</b>	<b>630.41</b>	<b>(5,216.74)</b>	<b>1,320.51</b>
	Add : Other Comprehensive Income	-	-	(3.26)	(3.26)	-	-	3.26	3.26
	<b>Net Profit After Prior Period Adjustments</b>	<b>6,165.57</b>	<b>680.57</b>	<b>(5,431.00)</b>	<b>1,415.14</b>	<b>5,906.84</b>	<b>630.41</b>	<b>(5,213.48)</b>	<b>1,323.77</b>
(c)	<b>Other Information</b>								
	Segment Assets	47,402.74	1,121.17	1,780.27	50,304.18	44,824.49	1,234.26	1,733.53	47,792.28
	Segment Liabilities	9,648.60	324.95	29,174.17	39,147.72	7,894.42	312.67	29,718.68	37,925.77
	Capital Expenditure	465.42	-	-	465.42	544.38	-	-	544.38
	Depreciation / Amortisation	841.04	114.95	-	955.99	1,030.25	145.89	-	1,176.14

#### Notes :

- The Company is engaged into two main business segments mainly (i) Manufacturing and Dealing in Textiles and (ii) Rental Property which have been identified and reported taking into account the nature of products and services, the differing risks and returns and the organisation structure.
- Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

#### (ii) Information About Secondary Geographical Business Segment

(Amount in Lacs)

Particulars	2018-2019		2017-2018	
	Within India	Outside India	Within India	Outside India
Although the sales outside India was less than 10% of the total sales and the segment assets are less than 10% of the total assets in the current financial year and in the immediate preceeding financial year, geographical segment is reported as the secondary segment, as per the discretion of the management.				
(a) Segment Revenue	53,448.09	6,246.17	45,781.75	5,907.64
(b) Segment Assets	48,421.61	1,882.57	46,116.05	1,676.23
(c) Addition to Fixed Assets	465.42	-	544.38	-

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

**41 Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:**

Name of the related party and description of relationship.

Related Parties	Nature of Relationship
(a) (i) Late Shri Vishwanath L. Agarwal	Individual having control / significant influence
(b) (i) Shri Rajendra V. Agarwal	Key Management Personnel (Managing Director)
(ii) Shri Ajay V. Agarwal	Key Management Personnel (Whole Time Director)
(c) (i) Shri Sreedhar Hirimbi	Company Secretary (Upto date 01.05.2019)
(ii) Ms. Poonam Barsaiyan	Company Secretary (From date 30.05.2019)
(d) (i) Mr Ashok Agarwal	Chief Financial Officer
(e) (i) Mrs. Neena Agarwal (Wife of Shri Ajay V. Agarwal)	Relative of Key Management Personnel
(f) (i) Donear Synthetics Limited	Entities where individual having control / significant influence or key management personnel or their relatives are able to exercise significant influence
(ii) Rajendra Synthetics Pvt. Ltd	
(iii) R. Ajay Kumar Real Estate LLP	
(iv) Neptune Fabs	
(v) Venus Textiles	
(vi) Lotus Fabrics	
(vii) Mercury Industries	
(viii) GBTL Limited (w.e.f 10.07.2017)	
(ix) OCM India Pvt. Ltd. (w.e.f 18.11.2017)	

**Disclosure of related party transaction during the year.**

(Amount in Lacs)

Nature of Transaction & Name of the Related Party		2018-2019		2017-2018	
(a)	<b>Purchase of Goods, Fixed Assets, Stores &amp; Other Services (Net of Goods Return)</b>				
	(i) Neptune Fabs	68.62		55.24	
	(ii) Venus Textiles	97.88		106.54	
	(iii) Lotus Fabrics	77.47		76.30	
	(iv) Mercury Industries	117.51		141.75	
	(v) GBTL Limited	637.17		284.46	
	(vi) OCM Private Limited	1,056.53	2,055.18	32.21	696.50
(b)	<b>Sale of Goods, Fixed Assets, Stores &amp; Other Services (Net of Goods Return)</b>				
	(i) Neena Agarwal	-		0.07	
	(ii) Mercury Industries	15.62		4.76	
	(iii) Donear Synthetics Ltd	-		2.50	
	(iv) GBTL Limited	5,497.70		962.22	
	(v) OCM Private Limited	2,358.09	7,871.41	45.54	1,015.09
(c)	<b>Sales Promotion Expenses reimbursed</b>				
	(i) Donear Synthetics Ltd	-		0.02	
	(ii) GBTL Limited	-	-	0.07	0.09
(d)	<b>Director's Sitting Fees</b>				
	(i) Late Shri Vishwanath L. Agarwal		0.01		0.01
(e)	<b>Remuneration Paid</b>				
	(i) Shri Rajendra V. Agarwal	28.03		28.03	
	(ii) Shri Ajay V. Agarwal	10.51		10.51	
	(iii) Mr Sreedhar Hirimbi	1.90		2.23	
	(iv) Mr Ashok Agarwal	16.75	57.19	16.45	57.22

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Lacs)

Nature of Transaction & Name of the Related Party		2018-2019		2017-2018	
(h)	<b><u>Rent Received</u></b>				
(i)	R.Ajaykumar Real Estate. LLP		18.00		14.22
(h)	<b><u>Rent Received</u></b>				
(i)	Neptune Fabs	1.00		1.00	
(ii)	Venus Textiles	1.00		1.00	
(iii)	Lotus Fabrics	1.00		1.00	
(iv)	Mercury Industries	1.00	4.00	1.00	4.00
(i)	<b><u>Other recovery of expenses</u></b>				
(i)	Neptune Fabs	19.94		18.01	
(ii)	Venus Textiles	33.63		31.67	
(iii)	Lotus Fabrics	20.98		21.06	
(iv)	Mercury Industries	30.00	104.55	28.30	99.04
(j)	<b><u>Loans Received</u></b>				
(i)	Shri Vishwanath L. Agarwal	315.00		1,133.90	
(ii)	Shri Rajendra Agarwal	988.50		990.00	
(iii)	Shri Ajay V. Agarwal	615.25	1,918.75	1,171.95	3,295.85
(k)	<b><u>Loans Repaid</u></b>				
(i)	Shri Vishwanath L. Agarwal	318.50		654.80	
(ii)	Shri Rajendra Agarwal	754.60		446.00	
(iii)	Shri Ajay V. Agarwal	477.35	1,550.45	639.50	1,740.30
			<b>13,579.54</b>		<b>6,922.32</b>

Disclosure of related party transaction outstanding at the end of the year.

(Amount in Lacs)

Name of the Related Party		As at 31.03.2019		As at 31.03.2018	
(a)	<b><u>Outstanding Net Receivable</u></b>				
(i)	Neena Agarwal	0.07		0.07	
(ii)	Neptune	3.93		1.13	
(iii)	Venus Textiles	5.20		1.89	
(iv)	Lotus Fabrics	4.61		1.19	
(v)	Mercury Industries	14.77		6.70	
(vi)	OCM Private Limited	858.49		24.61	
(vii)	GBTL Limited	641.09	1,528.16	568.71	604.30
(b)	<b><u>Deposit Paid</u></b>				
(i)	R.Ajaykumar Real Estate. LLP		4.50		4.50
(c)	<b><u>Deposit Taken</u></b>				
(i)	Neptune Fabs	30.00		30.00	
(ii)	Venus Textiles	30.00		30.00	
(iii)	Lotus Fabrics	30.00		30.00	
(iv)	Mercury Industries	30.00	120.00	30.00	120.00
(d)	<b><u>Loans Outstanding</u></b>				
(i)	Shri Vishwanath L. Agarwal	1,017.60		1,021.10	
(ii)	Shri Rajendra Agarwal	1,560.90		1,327.00	
(iii)	Shri Ajay V. Agarwal	1,842.25	4,420.75	1,704.35	4,052.45
(e)	<b><u>Guarantee given by directors</u></b>				
(i)	Towards Term Loan	1,012.20		1,766.81	
(ii)	Towards Working Capital	24,710.84	25,723.04	24,580.57	26,347.38
			<b>31,089.14</b>		<b>31,089.14</b>

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 42. EMPLOYEE BENEFIT

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

#### (i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Provident Fund. The expenses recognised for the year are as under :

Particulars	2018-19	2017-18
	Rs.	Rs.
Employer's Contribution to Provident Fund	165.17	191.42

#### (ii) Defined Benefit Plan

##### (a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 to 25 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

##### (b) Major category of plan assets:

The Company has taken plans from Life Insurance Corporation of India

##### (c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2019 and 31 March 2018.

		(Amount in Lacs)	
Particulars	As at 31.03.2019	As at 31.03.2018	
<b>(a) Defined Benefit Plan - Gratuity</b>	Funded	Funded	
<b>(i) <u>Assumptions</u></b>	As on	As on	
	31/03/2019	31/03/2018	
Discount Rate	8%	8%	
Salary Escalation	3%	3%	
<b>(ii) <u>Table showing changes in present value of obligations</u></b>	As on	As on	
	31/03/2019	31/03/2018	
Present value of obligations as at beginning of year	174.96	158.06	
Interest cost	14.00	12.65	
Current Service cost	31.84	26.71	
Benefits paid	(16.95)	(17.36)	
Actuarial (gain)/Loss on obligations	5.02	(5.10)	
Present value of obligations as at end of year	208.87	174.96	
<b>(iii) <u>Table showing changes in the fair value of plan assets</u></b>			
Fair value of plan assets at beginning of year	154.59	146.28	
Expected return on plan assets	11.50	10.41	
Contributions	20.20	15.27	
Benefits paid	(16.95)	(17.36)	
Actuarial Gain / (Loss) on Plan assets	-	Nil	
Fair value of plan assets at the end of year	169.34	154.60	
<b>(iv) <u>Table showing fair value of plan assets</u></b>			
Fair value of plan assets at beginning of year	154.59	146.28	
Actual return on plan assets	11.50	10.41	
Contributions	20.20	15.27	
Benefits Paid	(16.95)	(17.36)	
Fair value of plan assets at the end of year	169.34	154.60	
Funded Status	(39.53)	(20.36)	
Excess of Actual over estimated return on plan assets	-	Nil	
(Actual rate of return=Estimated rate of return as ARD falls on 31st March)			
<b>(v) <u>Actuarial Gain/Loss recognized</u></b>			
Actuarial( gain)/Loss for the year Obligation	(5.02)	5.10	
Actuarial (gain)/Loss for the year - Plan Assets	-	Nil	
Total (gain)/Loss for the year	5.02	(5.10)	
Actuarial (gain)/Loss recognized in the year	5.02	(5.10)	

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
(vi) <b>The amounts to be recognized in the Balance Sheet and Statements of Profit and Loss</b>		
Present value of obligations as at the end of year	208.87	174.96
Fair value of plan assets as at the end of the year	169.34	154.60
Funded status	(39.53)	(20.36)
Net Asset / (Liability) recognized in balance sheet	(39.53)	(20.36)
(vii) <b>Expenses Recognised in statement of Profit &amp; Loss</b>		
Current Service cost	31.84	26.71
Interest Cost	14.00	12.65
Expected return on plan assets	(11.50)	(10.41)
Net Actuarial (gain)/Loss recognised in the year	5.02	(5.10)
Expenses recognised in statement of Profit & Loss	39.36	23.85

### 43. LEASE

#### (a) Non-cancellable operating leases for Assets given on Lease

The Group is obligated under some operating leases for office space which are renewable on a periodical basis. Lease payments under operating leases for the year ended March 31, 2019 aggregated to Rs. 814.93 Lacs (PY - Rs. 792.83 Lacs)

Future lease rentals payable from the balance sheet date in respect of non cancellable residential and office premises:

(Amount in Lacs)

Particulars	As at 31/03/2019	As at 31/03/2018
Within one year	812.05	789.95
Later than one year but not later than five years	657.42	-
Later than five years	-	-
<b>Total</b>	<b>1,469.47</b>	<b>789.95</b>

#### Notes:

- (i) Future lease payments are determined on the basis of terms of the lease agreement.
- (ii) At the expiry of term of the agreement, the Company has an option either to return the leased asset or extend the term by giving a notice in writing.
- (iii) There are no sublease payments as well as no contingent rent.

#### (b) Non-cancellable operating leases for Assets taken on Lease

The Group is obligated under some operating leases for office space which are renewable on a periodical basis. Lease payments under operating leases for the year ended March 31, 2019 aggregated to Rs. 373.5 Lacs (PY - Rs. 322.67 Lacs)

Future lease rentals payable from the balance sheet date in respect of non cancellable residential and office premises:

(Amount in Lacs)

Particulars	As at 31/03/2019	As at 31/03/2018
Within one year	263.39	264.51
Later than one year but not later than five years	36.00	22.84
Later than five years	-	-
<b>Total</b>	<b>299.39</b>	<b>287.35</b>

#### Notes:

- (i) Future lease payments are determined on the basis of terms of the lease agreement.
- (ii) At the expiry of term of the agreement, the Company has an option either to return the leased asset or extend the term by giving a notice in writing.
- (iii) There are no sublease payments as well as no contingent rent.

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 44. DERIVATIVES

#### HEDGED :

The Company has entered into forward hedged exchange contracts, being derivative instruments hedge purpose and not intended for trading or speculation purposes, to establish the amount of currency in Indian Rupees required or available at the settlement date of Current Borrowings. The following are the outstanding Forward Exchange Contracts entered into by the Company.

Currency	Buy or Sell	As at 31.03.2018		As at 31.03.2017	
		Foreign Currency Amount	Rs. In Lacs	Foreign Currency Amount	Rs. In Lacs
USD	BUY	22,305,909	16,031.50	26,390,942	17,167.38

#### UNHEDGED :

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under :

#### (a) Amount Receivable in Foreign Currency on account of the following :

Particulars and Currency	As at 31.03.2019		As at 31.03.2018	
	Foreign Currency Amount	Rs. In Lacs	Foreign Currency Amount	Rs. In Lacs
USD	2,344,741	1,625.40	2,190,437	1,419.91
Euro	230,357	179.12	262,075	209.31

#### (b) Amount Payable in Foreign Currency on account of the following :

Particulars and Currency	As at 31.03.2019		As at 31.03.2018	
	Foreign Currency Amount	Rs. In Lacs	Foreign Currency Amount	Rs. In Lacs
USD	139,592	97.12	154,930	100.82
Euro	16,823	13.13	21,293	17.08
CHF	490	0.34	290	0.20

### 45. Capital Management

#### i) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by capital employed. The Company's debt is defined as long term and short term borrowings including current maturities of long term borrowings and total equity (as shown in balance sheet) includes issued capital and all other reserves.

#### ii) Gearing Ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	(Rs. In Lacs)	
	As at 31.03.2019	As at 31.03.2018
Borrowing	30,143.79	30,399.83
Less: Cash and Cash equivalents	566.86	214.68
<b>Net Debt</b>	<b>29,576.93</b>	<b>30,185.15</b>
<b>Total Equity</b>	<b>11,156.46</b>	<b>9,866.50</b>
<b>Total Equity and Net Debt (Capital Employed)</b>	<b>40,733.39</b>	<b>40,051.65</b>
<b>Gearing ratio</b>	<b>72.61%</b>	<b>75.37%</b>

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### 46. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk, market risk, price risk and Interest Rate Risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, Investment limits, check on counterparties basis credit rating and investment review on quarterly basis.
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security.
3	Market Risk – Foreign Currency Risk	Highly probable forecast transactions and financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	Forward foreign currency contract, future and option.
4	Market Risk - Interest Rate Risk	Fluctuating interest rates on various loans taken from banks and others	Interest Expense review and sensitivity analysis.	Treasure performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.
5	Price Risk – Commodity Prices	Basic ingredients of company raw materials are various grade of Yarn and Dyes where prices are volatile	The company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The company is able to pass on substantial price hike to the customers.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk, investment of surplus liquidity and other business risks effecting business operation. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

#### (A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

#### Credit Risk Management

For financial assets the Company has an investment policy which allows the Company to invest only with counterparties having credit rating equal to or above AAA and AA. The Company reviews the creditworthiness of these counterparties on an ongoing basis. Another source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The creditors risk is minimum in case of entity to whom loan has been given.

The maximum exposure to credit risk as at 31.03.2019 and 31.03.2018 is the carrying value of such trade receivables as shown in note 13 of the financials.

#### The Credit Loss allowances are provided in the case of trade receivables as under:

Loss allowance as on 01.04.2017	454.66
Change in loss allowance	187.15
Loss allowance as on 31.03.2018	641.81
Change in loss allowance	171.74
Loss allowance as on 31.03.2019	813.55



## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

### (B) Liquidity Risk

Liquidity risk represents the inability of the Company to meet its financial obligations within stipulated time. To mitigate this risk, the Company maintains sufficient liquidity by way of working capital limits from banks.

### (C) Market risk

#### Foreign currency risk

The Company significantly operates in domestic market, hence very insignificant portion of export and import took place during the years. Company is mitigating the currency risk by natural and financial hedging.

#### Open exposure

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	CHF	Euro	USD
<b>As at 31.03.2019</b>			
Trade receivables- Foreign Currency	-	230,357	2,344,741
Trade receivables- INR in Lacs	-	179.12	1,625.40
Trade payables- Foreign Currency	490	16,823	139,592
Trade payables- INR in Lacs	0.34	17.08	97.12
<b>As at 31.03.2018</b>			
Trade receivables- Foreign Currency	-	262,075	2,190,437
Trade receivables- INR in Lacs	-	209.31	1,419.91
Trade payables- Foreign Currency	290	21,293	154,930
Trade payables- INR in Lacs	0.20	17.08	100.82

#### Sensitivity Analysis-

The Company is mainly exposed to changes in USD and Euro. The sensitivity analysis demonstrate a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	As at 31.03.2019		As at 31.03.2018	
	Strengthens	Weakening	Strengthens	Weakening
CHF Impact	(0.02)	0.02	(0.01)	0.01
Euro Impact	8.10	(8.10)	9.61	(9.61)
USD Impact	76.41	(76.41)	65.95	(65.95)
<b>Total</b>	<b>84.50</b>	<b>(84.50)</b>	<b>75.56</b>	<b>(75.56)</b>

#### 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. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

The exposure of company borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	As at 31.03.2019	As at 31.03.2018
Variable rate borrowings	29,131.59	28,633.02
Fixed rate borrowings	1,012.20	1,766.81
<b>Total borrowings</b>	<b>30,143.79</b>	<b>30,399.83</b>

#### Interest Rate Sensitivity Analysis-

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Basis Points	Impact on Profit before Tax	
		As at 31.03.2019	As at 31.03.2018
Increase in Basis points	+50	(145.66)	(143.17)
Decrease in Basis points	- 50	145.66	143.17

### (D) Price risk

The company is exposed to price risk in basic ingredients of Company's raw material and is procuring finished components and bought out materials from vendors directly. The Company monitors its price risk and factors the price increase in pricing of the products.

## NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019

47. In the opinion of the Board, the current assets, loans & advances have a value realisation, in the ordinary course of business at least equal to the amount at which they are stated.
48. The balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

### 49 Fair Value Measurement

The fair value of Financial instrument as of 31.03.2019 and 31.03.2018 were as follows-

(Amount in Lacs)

Particulars	Fair value as at 31.03.2019	Fair value as at 31.03.2018	Fair value hierarchy	Valuation technique(s) and key input(s)	Key Inputs for Level 3 hierarchy	Significant unobservable input for level 3 hierarchy
<b>Financial assets</b>						
Investment in Equity Instruments through Profit & Loss	98.40	98.40	Level 3	Based on industry accepted value.	These are statutory investment required for the operation of the company (Same are carried at cost)	Marketability of such Investments.

The fair values of Trade Receivables, cash & bank balances, loan to related party, security deposit to government department, Trade Payables and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

50. The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of attached even date

**FOR KANU DOSHI ASSOCIATES LLP**

**CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**Kunal Vakharia**

Partner

**Membership No.148916**

Place : Mumbai

Date : 30th May, 2019

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

**Rajendra V. Agarwal**

Managing Director

**DIN No. 00227233**

**Ajay V. Agarwal**

Whole time Director

**DIN No. 00227279**

**Ashok B. Agarwal**

Chief Financial Officer

**Poonam Barsaiyan**

Company Secretary

## DONEAR INDUSTRIES LIMITED

CIN: L99999MH1987PLC042076

Registered Off. Add: Donear House, 8<sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093  
E –mail id: info@donear.com Website :www.donear.com

### BALLOT FORM

(In lieu of E-voting)

Sr. No.

Registered Folio No. / DPID No. / Client ID No. :

Name & Address :

Name(s) of the Joint Member(s), if any :

No. of Shares held :

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of 33<sup>rd</sup> Annual General Meeting of the Company dated 23<sup>rd</sup> September, 2019, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	No. of Shares	I/We assent to the Resolution (For)	I/We assent to the Resolution (Against)
<b>Ordinary Business</b>				
1.	Adoption of audited standalone financial statement of the Company for the financial year ended on 31 <sup>st</sup> March, 2019.			
2.	Declare dividend on Equity Shares for the financial year ended 31 <sup>st</sup> March, 2019.			
3.	Re-appointment of Mr. Anupkumar Singh (DIN: 07343361), who retires by rotation.			
<b>Special Business</b>				
4	Ordinary Resolution for ratification of remuneration of M/s. Y. R. Doshi & Co., Cost Accountant, Mumbai (Membership No. 3286).			
5.	Special Resolution for re-appointment of Mr. Santkumar Agarwal (DIN: 00153607) as an Independent Director of the Company.			
6.	Ordinary Resolution for Approval of Material Related Party Transactions.			

Place :

Date :

Signature of Shareholder

**NOTE:** Kindly read the instructions printed overleaf before filling the form. Valid Ballot Forms received by the Scrutinizer by 5.00 p.m. on 22<sup>nd</sup> September, 2019 shall only be considered.

### E-VOTING

Users who wish to opt for e-voting may use the following login credentials.

Log in Link	User ID	PASSWORD
<a href="https://right2vote.in/login/">https://right2vote.in/login/</a>	Your registered Email ID	OTP (One Time Password) will be received on this email ID when you press GET OTP

Please follow steps for e-voting procedure as given in the Notice of AGM by logging on to - <https://right2vote.in/login/>

## INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, **Mr. Yogesh Sharma, Practicing Company Secretary at B/1, Neha Apartment, Opp. Badwaik Hospital, L.B.S. Marg, Bhandup (West), Mumbai – 400078** to his email id **csymsharma@gmail.com**, so as to reach by **5.00 p.m. of 22<sup>nd</sup> September, 2019**. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic /demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per records of the share transfer agent of the Company (i.e. Link Intime India Private Limited). Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio/DP ID Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization/ Board resolution to vote should accompany the Ballot Form.
10. Instructions for e-voting procedure are available in the Notice of Annual General Meeting and are also placed on the website of the Company.



## DONEAR INDUSTRIES LIMITED

**CIN: L99999MH1987PLC042076**

Registered Off. Add: Doner House, 8<sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093

Email id: info@donear.com Website :www.donear.com

### ATTENDANCE SLIP

I / We hereby record my / our presence at the 33<sup>rd</sup> Annual General Meeting of the Company on Monday, 23<sup>rd</sup> September, 2019 at 11.30 a.m. at Donear House, 9<sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093

Folio No./ DP ID and Client ID No. \_\_\_\_\_

Name/s : \_\_\_\_\_

1<sup>st</sup> Name : \_\_\_\_\_

Joint Holder : \_\_\_\_\_

Joint Holder : \_\_\_\_\_

\_\_\_\_\_  
Full name of the \*Shareholder/ Proxy  
(in block letters)

\_\_\_\_\_  
Signature of \*Shareholder/Proxy

\*Strike out whichever is not applicable

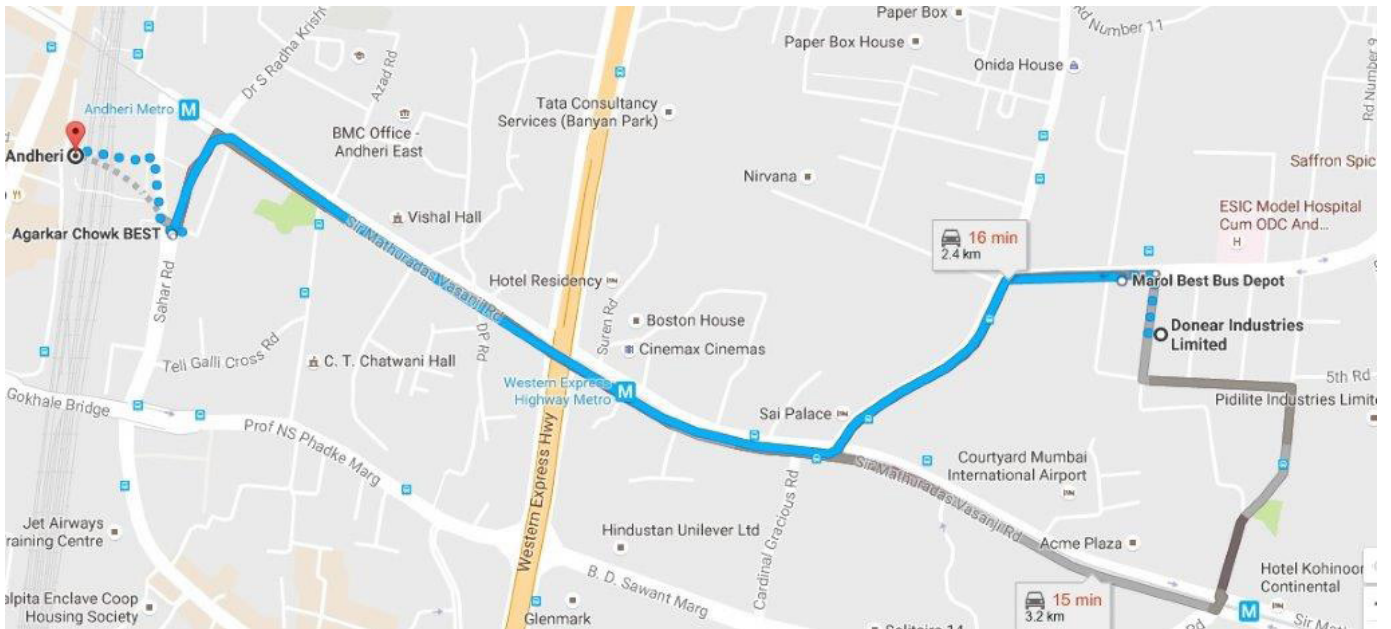
E-mail ID \_\_\_\_\_

**NOTE :** Members who have multiple folios/demat accounts with different joint-holders may use copies of this attendance slip.



### ROUTE MAP FROM ANDHERI RAILWAY STATION TO DONEAR IND. LTD.

Donear House, 9<sup>th</sup> floor, Plot No. A/50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093.





DONEAR INDUSTRIES LTD.

## DONEAR INDUSTRIES LIMITED

CIN: L99999MH1987PLC042076

Registered Off. Add: Doner House, 8<sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093

Email id: info@donear.com Website :www.donear.com

### PROXY FORM

Form No. MGT-11

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

CIN	L99999MH1987PLC042076
Name of the Company	<b>DONEAR INDUSTRIES LIMITED</b>
Registered Office	Doner House, 8 <sup>th</sup> Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093
Name of the member(s)	_____
Registered Address	_____
E-mail ID	_____
Folio No. or DP ID	_____

I/We, being the member(s) of the above named company and holding \_\_\_\_\_ no. of shares hereby appoint

(1)	Name		Or failing him / her	(2)	Name		Or failing him / her	(3)	Name	
	Address				Address				Address	
	Email ID				Email ID				Email ID	
	Signature				Signature				Signature	

As my/our proxy to attend and vote (on a poll) for me /us and on my / our behalf at the 33<sup>rd</sup> Annual General Meeting of the Company, to be held on Monday, 23<sup>rd</sup> September, 2019 at 11.30 a.m. at Donear House, 9th Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai No. 400 093, and at any adjournment thereof in respect of such resolutions as are indicated below :

● Adoption of audited standalone financial statement of the Company for the financial year ended on 31 <sup>st</sup> March, 2019.	● Ordinary Resolution for ratification of remuneration of M/s. Y. R. Doshi & Co., Cost Accountant, Mumbai (Membership No. 3286).
● Declare dividend on Equity Shares for the financial year ended 31 <sup>st</sup> March, 2019.	● Special Resolution for re-appointment of Mr. Santkumar Agarwal (DIN: 00153607) as an Independent Director of the Company.
● Re-appointment of Mr. Anupkumar Singh (DIN: 07343361), who retires by rotation.	● Ordinary Resolution for Approval of Material Related Party Transactions.

Signed this \_\_\_\_\_ day \_\_\_\_\_ 2019

Affix Rs. 1  
Revenue  
stamp

Signature of shareholder

Signature of the proxy holder(s)

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
- Not with standing the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present



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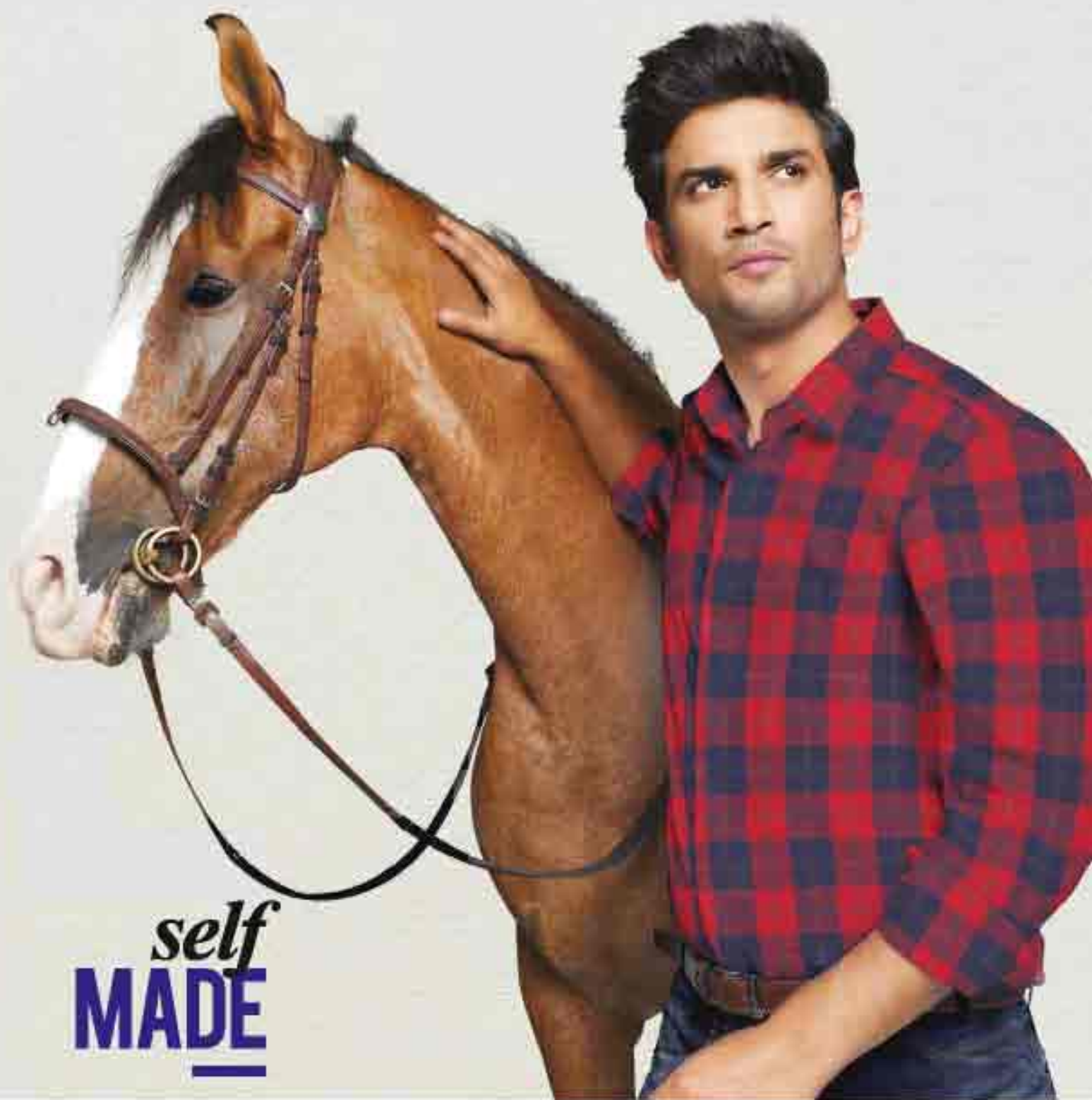
## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**DONEAR**

*Royal  
Classico*

**LUXURY SUITING FABRICS**





*self*  
**MADE**





**Donear Industries Ltd.**

Donear House, Plot No. A-50, Road No.1, MIDC, Andheri (E), Mumbai - 400093 (INDIA)

Tel No.: 022 3076 8100 | [www.donear.com](http://www.donear.com), E-mail: [info@donear.com](mailto:info@donear.com)

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