



40th ANNUAL REPORT

2019-20

 ***Shree Rajasthan Syntex Ltd.***

www.srsl.in

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vinod Kumar Ladia (DIN: 00168257)
Chairman & Whole Time Director
 Mr. Vikas Ladia (DIN: 00256289)
Managing Director & Chief Executive Officer
 Mr. Anubhav Ladia (DIN: 00168312)
Whole Time Director
 Mr. Narendra Nath Agrawala (DIN: 00168211)
Independent Director
 Ms. Neelima Khetan (DIN: 05113000)
Independent Director
 Mr. Sunil Goyal (DIN: 00110601)
Independent Director
 Mr. Susheel Jain (DIN: 00378678)
Independent Director
Ceased with effect from July 16, 2020
 Mr. Raj Singh Nirwan (DIN: 00313799)
Independent Director
Ceased with effect from June 1, 2019

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Devanshi Uday Shah
(with effect from January 04, 2020)

CHIEF FINANCIAL OFFICER

Mr. Prahlad Bilochi *(with effect from July 01, 2020)*

STOCK EXCHANGE WHERE COMPANY'S SECURITIES IS LISTED

BSE Limited

REGISTERED & HEAD OFFICE

"SRSL HOUSE", Pulla Bhuwana Road,
 N.H. No. 8, Udaipur -313004 (Rajasthan)

WEBSITE

www.srsl.in

CORPORATE IDENTITY NUMBER (CIN)

L24302RJ1979PLC001948

BANKERS

- IDBI Bank Ltd.
- State Bank of India
- Bank of Baroda

REGISTRAR & SHARE TRANSFER AGENT (RTA)

M/s. Mas Services Ltd.
 T-34, 2nd Floor, Okhla Industrial Area,
 Phase II, New Delhi- 110020

STATUTORY AUDITORS

M/s. Doogar & Associates, Chartered Accountants,
 New Delhi

SECRETARIAL AUDITORS

M/s. V. M. & Associates, Company Secretaries, Jaipur

COST AUDITORS

M/s. K.G. Goyal & Co., Cost Accountants, Jaipur

INTERNAL AUDITORS

M/s. K.G. Bhatia & Co., Chartered Accountants,
 Udaipur

BOARD COMMITTEES

Audit Committee

Mr. Sunil Goyal (Chairman)
 Mr. Narendra Nath Agrawala
 Mr. Susheel Jain *(Ceased w.e.f. July 16, 2020)*
 Mr. Vinod Kumar Ladia

Nomination & Remuneration Committee

Mr. Narendra Nath Agrawala (Chairman)
 Mr. Susheel Jain *(Ceased w.e.f. July 16, 2020)*
 Mr. Vinod Kumar Ladia
 Ms. Neelima Khetan *(w.e.f. August 24, 2020)*

Stakeholders' Relationship Committee

Mr. Narendra Nath Agrawala (Chairman)
 Mr. Anubhav Ladia
 Mr. Vinod Kumar Ladia

Sub Committee

Mr. Anubhav Ladia
 Mr. Narendra Nath Agrawala
 Mr. Vikas Ladia
 Mr. Vinod Kumar Ladia

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NOTICE

NOTICE is hereby given that the **40th (Fortieth)** Annual General Meeting (“AGM / Meeting”) of the Members of **Shree Rajasthan Syntex Ltd.** will be held on **26th September, 2020 (Saturday) at 2:00 P.M. IST** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

Item no. 1 - Adoption of Audited Financial Statements

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon.

Item no. 2 - Appointment of Mr. Anubhav Ladia as a director liable to retire by rotation

To appoint a Director in place of Mr. Anubhav Ladia (DIN: 00168312), who retires by rotation and, being eligible, seeks re-appointment.

SPECIAL BUSINESS

Item no. 3 - Ratification of Remuneration of the Cost Auditors for the financial year ending on March 31, 2021 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit Rules), 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 60,000/- (Rupees Sixty Thousand Only) plus applicable GST and reimbursement of traveling expenses and out of pocket expenses (at actual) incurred for the purpose of audit, payable to M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No.000017) Jaipur, who were re-appointed by the Board of Directors, as “Cost Auditors” to conduct the audit of the cost records maintained by the Company for financial year ending on March 31, 2021 be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

Item No. 4 - Re-appointment of Ms. Neelima Khetan (DIN: 05113000) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)(including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Ms. Neelima Khetan (DIN: 05113000), Independent Director of the Company who has submitted a declaration that she meets the criteria for independence as provided under 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of 5(five) consecutive years with effect from 1st April, 2020 to 31st March, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

Date: August 24,2020

Place: Udaipur

Registered Office: 'SRSL HOUSE'

Pulla Bhuwana Road,N. H. No. 8

Udaipur - 313004 Rajasthan

By Order of the Board of Directors

For Shree Rajasthan Syntex Ltd.

Sd/-

Devanshi Uday Shah

Company Secretary &

Compliance Officer

Membership No. A53350

NOTES

- I. In view of the present COVID-19 pandemic, social distancing norms to be followed and the continuing restriction on movement of persons at several places in the country, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 40th AGM shall be the registered office of the Company.
- II. The AGM being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Since the AGM will be held through VC/OAVM, the Route map is not annexed to this Notice.
- III. Corporate Members authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting or e-voting during the AGM, are requested to send scanned copy (PDF/JPG) of its Board or governing body Resolution / authority letter, together with attested specimen signature of the duly authorized signatory through email to the Company at cs@srsl.in.
- IV. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect to Special Business at Item No. 3 and Item No. 4 of the accompanying Notice is annexed hereto.
- V. A brief resume of the director proposed to be reappointed, nature of his/her expertise in specific functional areas, names of companies in which he/she holds directorship and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated under Regulation 26(4) and 36(3) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) as amended, are provided in Details of Director seeking reappointment at the Annual General Meeting annexed hereto.
- VI. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 20th September, 2020 to Saturday, 26th September, 2020 (both days inclusive) for the purpose of the Annual General Meeting.
- VII. Copies of the Notice of the 40th AGM along with the Annual Report for the year 1st April 2019 to 31st March, 2020, instructions for e-voting and instructions for attending AGM through

VC/OAVM, is being sent through electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s). Members may note that the aforesaid documents will also be available on the Company's website www.srsl.in, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of CDSL i.e. www.evotingindia.com.

- VIII. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.
- IX. Members seeking any information with regard to Accounts may write to the Company 7 (seven) days before the date of the Annual General Meeting.
- X. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/ LAD-NRO/GN/2018/49 dated 30th November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialise the Equity Shares of the Company, promptly.
- XI. Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company as required vide circular no.17/2011 dated 21st April, 2011 and circular no.18/2011 dated 29th April, 2011 issued by the Ministry of Corporate Affairs.
- XII. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company in case the shares are held by them in physical form.
- XIV. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website.
- XV. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its Registrar-Mas Services Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- XVI. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- XVII. Voting through electronic means: Remote e-voting and e-voting during AGM
 - a. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is pleased to provide its members, the facility of remote e-voting and e-voting during AGM in respect of the business to be transacted at the 40th AGM.
 - b. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the

Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- c. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- d. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- e. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e Saturday, 19th September, 2020 may obtain the login ID and password by sending a request at info@masserv.com/cs@srsi.in.
- f. CS Manoj Maheshwari, FCS 3355, Practicing Company Secretary, partner of M/s V. M. & Associates, Company Secretaries has been appointed as a scrutinizer to scrutinize the remote e-voting and e-voting process at the AGM, in a fair and transparent manner.
- g. **The e-Voting procedure to be followed by the shareholders to cast their votes:**
 - (i) The remote e-voting period begins on Tuesday, 22nd September, 2020 (9:00 a.m. IST) and ends on Friday, 25th September, 2020 (5:00 p.m. IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e Saturday, 19th September, 2020 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on "Shareholders" module.
 - (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company. OR

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

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <SHREE RAJASTHAN SYNTEX LTD>.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs.vmanda@gmail.com/ cs@srsi.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xxi) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- (xxii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
- h. Process for those shareholders whose email addresses are not registered with the Depositories/Company for obtaining login credentials for e-voting for the resolutions proposed in this notice:**
- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to info@masserv.com / cs@srsi.in.
 - (ii) For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@masserv.com / cs@srsi.in.
- i. Members already registered with CDSL for remote e-voting can use their existing user ID and password for Login. Thereafter please follow the steps from Sl. Nos. (xii) to (xix) mentioned in (g) above, to cast your vote.**
- j. Instructions for Members attending the Annual General Meeting (AGM) through VC/OAVM are as under:**
- (i) Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under members login by using the remote e-voting credentials. The link for VC/OAVM will be available in members login where the EVSN of Company will be displayed.
 - (ii) Members are encouraged to join the Meeting through Laptops / IPads for better experience.

- (iii) Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cs@srsi.in from Saturday, 12th September, 2020 (9:00 a.m. IST) to Friday, 18th September, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

k. Instructions for Members for e-voting during the Annual General Meeting (AGM) are as under:

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

l. General Information

- (i) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first scrutinize the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- (ii) The Resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favour of the Resolution(s).
- (iii) The result declared along with the Scrutinizer's Report shall be placed on the Company's website- www.srsi.in and on the website of CDSL immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the **Special Business** mentioned in the accompanying Notice:

Item no. 3

The Board in its meeting held on June 29, 2020, on the basis of recommendation of the Audit Committee, has approved the re-appointment and recommended remuneration of Cost Auditor, M/s. K. G. Goyal & Co., Cost Accountants (Firm Registration No.000017) Jaipur to conduct the audit of the cost records maintained by the Company for financial year ending on March 31, 2021.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with rule 14 of The Companies (Audit and Auditors) Rules, 2014 and The Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditors amounting to Rs. 60,000/- (Rupees Sixty Thousand Only) plus applicable GST and reimbursement of traveling expenses and out of pocket expenses (at actuals) incurred for the purpose of audit, as recommended by the Audit Committee and approved by the Board of Directors, is subject to the ratification by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at **Item no. 3** of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending on March 31, 2021. None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at **Item no. 3** of the Notice. The Board recommends the Ordinary Resolution set out at **Item no. 3** of the Notice for approval by the members.

Item no. 4

Ms. Neelima Khetan (DIN: 5113000), aged 58 year was appointed as Independent Director on the Board, pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, by the Members of the Company in the 35th AGM held on 29th September, 2015.

The Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Director and Nomination and Remuneration Policy ("NRC Policy"), has recommended the re-appointment of Ms. Neelima Khetan as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Director and as per the recommendation of the Nomination and Remuneration Committee, considers that, given her background and experience and contributions made by her during her tenure, the continued association of Ms. Neelima Khetan would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. In the opinion of the Board, Ms. Neelima Khetan fulfills the conditions for re-appointment as Independent Director as specified in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Ms. Neelima Khetan is independent of the management.

Considering the re-appointment of Ms. Neelima Khetan is for second term of 5 (five) consecutive years, hence her re-appointment as Independent Director requires approval of members by way of Special Resolution as provided in the Act and the Listing Regulations.

Accordingly, it is proposed to re-appoint Ms. Neelima Khetan as Independent Director of the Company, not liable to retire by rotation and to hold office for a further term of 5 (five) consecutive years on the Board of the Company upto 31st March, 2025.

Ms. Neelima Khetan has given her (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualifications of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualifications of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 (as amended). Further, the Director being appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Neelima Khetan for the office of Independent Director of the Company. Details of the Director, Ms. Neelima Khetan whose re-appointment as Independent Director is proposed at **Item No. 4**, is provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Ms. Neelima Khetan is interested in the resolution set out respectively at **Item No. 4** of the Notice with regard to her respective re-appointment. The relatives of Ms. Neelima Khetan may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at **Item No. 4** of the Notice for approval by the members.

ANNEXURE

DETAILS / PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE 40TH AGM AS PER REGULATION 36(3) OF THE LISTING REGULATIONS AND SECRETARIAL STANDARD ON GENERAL MEETINGS ("SS-2")

S. No.	Particulars		
1.	Name of the Director	Mr. Anubhav Ladia	Ms. Neelima Khetan (Independent Director)
2.	DIN	00168312	5113000
3.	Date of Birth	January 11, 1977	July 03, 1961
4.	Age	43 years	58 years
5.	Qualifications	B.Com (H), FCA	Post Graduation degree from Institute of Rural Management, Anand in 1984
6.	Experience (including expertise in specific functional areas) / Brief Resume	He is a Chartered Accountant having sound experience in finance field. Presently located at the Head Office, as in-charge of finance and accounts head.	Ms. Neelima Khetan was working as Chief Executive of Seva mandir. She was the Acting Director of the Institute of Rural Management, Anand (IRMA) during the

			period of June 2006 to May 2007. She has served on the Board of the IRMA for 6 years. She has also worked as a Director – CSR & Sustainability of Coca Cola, India South West Asia.
7.	Terms and Conditions of Appointment / Re-appointment	As per the resolution at item no. 2 of the Notice convening AGM on 24 th September, 2020 Mr. Anubhav Ladia is proposed to be re-appointed as a Director liable to retire by rotation.	As per the resolution at Item No. 4 of the Notice convening AGM on 29 th September, 2020 read with explanatory statement thereto, Ms. Neelima Khetan is proposed to be re-appointed
8.	Remuneration last drawn (including sitting fees, if any)	Rs.36,80,247/- p.a.	Rs. 21,000/-(Sitting Fees).
9.	Remuneration proposed to be paid	Basic Salary : 1,55,000 p.m. and perquisites	Sitting Fees only
10.	Date of first appointment on the Board	September 01, 2005	May 22, 2015
11.	Shareholding in the Company	2,70,032	NIL
12.	Relationship with other Directors / Key Managerial Personnel	Mr. Anubhav Ladia, son of Mr. Vinod Kumar Ladia and Brother of Mr. Vikas Ladia	NA
13.	Number of the meetings of the Board attended during the year	6	3
14.	Directorship of other Boards	SRSL Securities Ltd. Divine Fibres Pvt. Ltd. PBS Marketing Pvt. Ltd. Shree Shyam Distributors and Marketing Pvt. Ltd.	NIL
15.	Membership / Chairmanship of Committee of other Boards as on March 31, 2020	NIL	NIL

Date: August 24, 2020

Place: Udaipur

Registered Office: 'SRSL HOUSE'

Pulla Bhuwana Road, N. H. No. 8

Udaipur - 313004 Rajasthan

By Order of the Board of Directors

For Shree Rajasthan Syntex Ltd.

Sd/-

Devanshi Uday Shah

Company Secretary &

Compliance Officer

Membership No. A53350

BOARD'S REPORT

To

The Members,

Your Directors have pleasure in presenting the 40th Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended on March 31, 2020.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's financial summary and highlights are summarized below:-

(Rs. in Lakhs)

Particulars	Financial Year	
	March 31, 2020	March 31, 2019
Revenue from operations	6,932.70	17,199.83
Other Income	163.91	201.50
Total Revenue (A)	7,096.61	17,401.33
Expenses:-		
Cost of materials consumed	3,267.13	10,614.22
Purchase of Stock-in-trade	7.76	0.00
Changes in inventories of finished goods, Work in progress and stock-in-trade	453.91	1,267.57
Employees benefit expenses	1,280.41	2,186.90
Finance Costs	1,474.09	1,592.67
Depreciation and Amortization expenses	441.31	448.54
Other Expenses	2,329.62	4,347.04
Total Expenses (B)	9,254.24	20,456.94
Profit/(loss) before exceptional items and tax (A) - (B)	(2157.63)	(3,055.61)
Exceptional items (gain)	-	1,096.11
Profit / (Loss) before tax	(2157.63)	(1,959.50)
Less : Tax expense	12.84	(186.74)
Profit / (Loss) for the period	(2170.47)	(1,772.76)
Other comprehensive Income (Net of Tax)	87.55	36.12
Total Comprehensive Income for the period (Comprising profit after tax and other comprehensive income after tax for the period)	(2082.93)	(1,736.64)

2. FINANCIAL PERFORMANCE

During the year under review, the Company's operations continued to be affected due to high power cost and non availability of working capital for operations resulting in lower capacity utilisation and constrained margins due to high cost of Raw Material. Furthermore, the Company has not been able to undertake necessary regular capital expenditure as per industry norms for proper maintenance and upkeep of plant and equipment due to paucity of funds. During the year under review the Company had a downfall in its performance. There was a loss during the year amounting to Rs. 2170.47 Lakhs as compared to loss of Rs. 1772.76 Lakhs in previous year. The total revenue of the company was Rs. 7096.61 Lakhs as compared to Rs.17401.33 Lakhs of previous year due to lower capacity utilisation caused by non availability of working capital Funds.

Your Directors and Management along with the entire team is taking all possible action to ensure that we are able to sustain our financial productivity and business operational developments inspite of all adverse external conditions and competition.

3. STATE OF THE COMPANY'S AFFAIR

The business operations of the company during the year under review have not been satisfactory as compared to previous year.

The Company produced 3567 M.T. of yarn valuing Rs. 6478.79 Lakhs during the period under review as against 9,739.21 M.T. of yarn valuing Rs. 15,932.25 Lakhs produced during the last year. During the year, the Company

had export of Rs. 69.58 Lakhs against export of Rs. 1,857.62 Lakhs during the previous year. The export constituted 1.21% of the total turnover of the Company.

The state of Company' affair and performance of the Company is analyzed in detail in the Management Discussions and Analysis Report annexed to this report as **Annexure-6**.

4. DIVIDEND

In view of Loss in the current year, your Directors are unable to recommend any dividend for the year under review.

5. TRANSFER TO RESERVES

No amount is proposed to be transferred to the Reserves for the year under review.

6. UNPAID / UNCLAIMED DIVIDEND

The details of unpaid / unclaimed dividend and their respective shares transferred by the Company to IEPF are available at the website of the Company at http://www.srsl.in/documents/LIST_OF_SHAREHOLDERS_IEPF.pdf and [www.srsl.in/documents/LIST-OF-SHAREHOLDERS-DIVIDEND-TRANSFERRED--\(IEPF\).pdf](http://www.srsl.in/documents/LIST-OF-SHAREHOLDERS-DIVIDEND-TRANSFERRED--(IEPF).pdf)

7. FIXED DEPOSITS

Your Company has accepted Unsecured Fixed Deposits from its members during the financial year 2019-20.

1. The details relating to deposits, covered under Chapter V of the Companies Act, 2013 ("the Act") are as under:-
 - a) accepted during the year : Rs. 25,32,000/-
 - b) remained unpaid or unclaimed as at the end of the year : Nil
 - c) whether there has been any default in repayment of the deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved
 - i. at the beginning of the year : Nil
 - ii. maximum during the year : Nil
 - iii. at the end of the year : Nil
2. There are no deposits which are in non- compliance with the requirements of Chapter V of the Act.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans, guarantees or investments covered under Section 186 of the Act along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security, are provided in Notes to the Financial Statements. Please refer note 6 and 14 to the Financial Statement.

9. CHANGE IN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Directors

In accordance with the provisions of Section 152(6) of the Act read with the rules made thereunder and the Company's Articles of Association, Mr. Vinod Kumar Ladia (DIN:00168257) was re-appointed as director retire by rotation at the 39th AGM.

Mr. Vinod Kumar Ladia (DIN:00168257) was re-appointed as Executive Chairman and Whole Time Director for a period of three years w.e.f. 1st June,2019 to 31st May, 2022 at the 39th AGM.

Mr. Vikas Ladia (DIN: 00256289) was re-appointed as Managing Director and Chief Executive Officer for a period of three years w.e.f. 1st June,2019 to 31st May, 2022 at the 39th AGM.

Mr. Anubhav Ladia (DIN:00168312) (Executive Directors) was re-appointed as Whole Time Director for a period of three years w.e.f. 1st June,2019 to 31st May, 2022 at the 39th AGM.

Further, Mr. Anubhav Ladia (DIN :00168312) is liable to retire by rotation at 40th AGM and being eligible, seeks re-appointment. The Board recommends his re-appointment.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on June 29, 2020 have approved the re-appointment of Ms. Neelima Khetan (DIN: 5113000) as

Independent Director of the Company for a second consecutive term of 5 years commencing from April 1, 2020 to March 31, 2025 subject to the approval of the shareholders at the 40th AGM.

Further, Mr. Raj Singh Nirwan, Independent Director resigned from the post of directorship with effect from June 1, 2019. The Board of Directors have expressed their sincere gratitude towards the valuable services and guidance rendered by Mr. Raj Singh Nirwan during the tenure of his Directorship. The disclosure in this regard is available on the website of the Company at <http://www.srsl.in>

Also, Mr. Susheel Jain, Independent Director resigned from the post of directorship with effect from July 16, 2020. The Board of Directors have expressed their sincere gratitude towards the valuable services and guidance rendered by him during his tenure of Directorship. Although, the said change in board of directors occurred after the closure of financial year, however, your directors find it prudent to keep their shareholders informed about the said change. The disclosure in this regard is available on the website of the Company at <http://www.srsl.in>

(B) Key Managerial Personnel (KMP)

During the financial year 2019-20 Ms. Ravina Soni, Company Secretary and Compliance officer resigned w.e.f. 27th December, 2019 and Mrs. Devanshi Uday Shah joined as Company Secretary & Compliance officer w.e.f. 4th January, 2020.

Mr. Vinay Punjawat, Chief Financial Officer resigned w.e.f. Closure of business hours of 30th June, 2020 and Mr. Prahlad Bilochi joined as Chief Financial Officer w.e.f. 1st July, 2020.

10. MEETINGS OF THE BOARD

The Board of Directors met five times during the financial year 2019-20, i.e. on May 25, 2019 (Original), May 29, 2019 (Adjourned), August 12, 2019, November 12, 2019, January 4, 2020 and February 14, 2020. Frequency and quorum at these meetings and the intervening gap between any two meetings were in conformity with the provisions of the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards issued by The Institute of Company Secretaries of India ("Secretarial Standards"). The Secretarial Standards are adhered to by the Company. For further details, please refer report on Corporate Governance annexed to this report as **Annexure-7**.

11. COMMITTEES OF BOARD OF DIRECTORS

As on March 31, 2020, the Board have 4 Committees, namely, the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee and the Sub-Committee. A detailed note on the Composition of the Board and its Committees and other relevant details are provided in the report on Corporate Governance annexed to this report as **Annexure-7**.

12. FORMAL ANNUAL EVALUATION

The evaluation / assessment of the Directors and KMPs of the Company is to be conducted on an annual basis to satisfy the requirements of the Act and Listing Regulations. The Company is having a Policy for performance evaluation of Independent Directors, Board, Committees and other Individual Directors which includes criteria for their performance evaluation. The said criteria provide certain parameters like Attendance, Availability, Time spent, Preparedness, Active participation, Analysis, Objective discussions, Probing and testing assumptions, Industry and Business knowledge, Functional expertise, Corporate Governance, Development of Strategy and Long Term Plans, Inputs in strength area, Director's obligation and discharge of responsibilities, Quality and value of contributions and Relationship with other Board Members etc. which is in compliance with applicable laws, regulations and guidelines.

During the year under review, a separate mechanism was carried out by the Board, internally at the time of meeting itself, for formal annual evaluation of its own performance and that of its Committee and individual directors, including the Chairman of the Board, on parameters as mentioned above. Performance evaluation of Independent Directors was carried out by the entire Board. Performance evaluation of the Chairman and non-independent directors was also carried out in the Meeting of Independent Directors separately.

13. NOMINATION AND REMUNERATION POLICY

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters, etc. is available on the website of the Company at http://www.srsl.in/documents/NOMINATION_AND_REMUNERATION_POLICY.pdf.

14. DECLARATION BY INDEPENDENT DIRECTOR

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16 (b) of Listing Regulations, code of conduct as per Schedule IV of the Companies Act, 2013 and the Independent Directors are independent of the management.

15. AUDITORS AND AUDIT REPORTS

I. Statutory Auditors and Audit Report

M/s. Doogar & Associates, Chartered Accountants (Firm Registration No.000561N), New Delhi were appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of the 37th AGM of the Company held on September 26, 2017, till the conclusion of the 42nd AGM to be held in the calendar year 2022. The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018.

As required under the provisions of Section 139(1) of the Act, the company has obtained a written certificate from the above mentioned Auditor to the effect that they confirm with the limits specified in the said Section and they have also given their eligibility certificate stating that they are not disqualified within the meaning of Section 141 of the Act.

The Audit Report on the Financial Statements for the financial year 2019-20 does not contain any qualifications, reservations or adverse remarks. The observations made by the Auditors are self explanatory and have been dealt with, in Independent Audit Report. The Notes to Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

II. Cost Auditors and Cost Audit Report

In terms of Section 148 of the Act read with rule 3 of the Companies (Cost Records and Audit) Rules, 2014 the Company is required to maintain cost records for Textile business. The accounts and records are made and maintained accordingly by the Company.

M/s. K.G. Goyal & Co., Cost Accountants, (Firm Registration No.000017), Jaipur were appointed as Cost Auditors of the Company for conducting the Audit of cost records maintained by the Company for the financial year 2019-20. The Cost Audit Report for the financial year 2019-20 does not contain any qualification, reservation or adverse remark.

Further, the Board of Directors has approved the re-appointment of M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No.000017), Jaipur as Cost Auditors at their meeting held on June 29, 2020 for conducting the Audit of the cost records maintained by the Company for the financial year 2020-21. The Remuneration proposed to be paid to them requires ratification by the shareholders of the Company in this AGM. In view of this, the Board of Directors recommends a remuneration of Rs. 60,000/- (Rupees Sixty Thousand Only) plus applicable GST and reimbursement of traveling expenses and out of pocket expenses (at actual) to the Cost Auditors to be ratified by the shareholders at the 40th AGM.

III. Secretarial Auditors and Secretarial Audit Report

M/s. V. M. & Associates, Company Secretaries (Firm Registration No. P1984RJ039200), Jaipur were appointed as Secretarial Auditors of the Company for conducting the Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year 2019-20, in form MR-3, does not contain any qualification, reservation or adverse remark and is annexed to this report as **Annexure-1**. Further, the Company has undertaken an audit for the financial year 2019-20 under Regulation 24A of Listing Regulations. The Annual Secretarial Compliance Report has been submitted to the stock exchange within prescribed timelines for the financial year 2019-20.

Further, the Board of Directors has approved the re-appointment of M/s. V. M. & Associates, Company Secretaries (Firm Registration No. P1984RJ039200), Jaipur as Secretarial Auditors at their meeting held on June 29, 2020 for conducting the Secretarial Audit of the Company for the financial year 2020-21.

IV. Internal Auditors and Internal Audit Report

M/s. K.G. Bhatia & Co., Chartered Accountants (Firm Registration No.010370C), Udaipur were appointed as Internal Auditors of the Company for conducting Internal Audit for the financial year 2019-20. The Internal Audit Reports were received quarterly by the Company and the same were reviewed by the Audit Committee and Board of Directors for each quarter.

Further, the Board of Directors has approved the re-appointment of M/s. K.G. Bhatia & Co., Chartered Accountants (Firm Registration No.-010370C), Udaipur as Internal Auditors at their meeting held on June 29 , 2020 for conducting the Internal Audit of the Company for the financial year 2020-21.

16. REPORTING OF FRAUDS BY AUDITORS

During the period under review, neither the statutory auditors nor the secretarial auditors nor cost auditors reported to the Audit Committee, under section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

17. RISK MANAGEMENT POLICY

The Company operates in conditions where economic, environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects. In line with Listing Regulations and as per the requirement of Section 134(3)(n) of the Act read with the rules made thereunder, as amended, the Board has already framed a comprehensive Risk Management Policy to oversee the mitigation plan including identification of element of risk, for the risk faced by the company, which in the opinion of the Board may threaten the existence of the Company. The object of the policy is to make an effective risk management system to ensure the long term viability of the company's business operations. During the year under review, the same was reviewed half yearly by Audit Committee of the Company. For a detailed discussion, please refer to report on Corporate Governance annexed to this report as **Annexure-7**.

18. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the directors and employees are free to report violations of law, rules, regulations or unethical conduct, actual or suspected fraud to their immediate supervisor or provide direct access to the Chairman of the Audit Committee in exceptional cases or such other persons as may be notified by the Board. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. The Whistle Blower Policy of the Company is also available on the website of the Company at <http://www.srsl.in/documents/WHISTLE-BLOWER-POLICY.pdf>. During the year, no whistle blower event was reported and the mechanism is functioning well. Further, no personnel has been denied access to the Audit Committee. The details of the whistle blower policy/vigil mechanism is given in the report on Corporate Governance annexed to this report as **Annexure-7**.

19. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Company has constituted Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for reporting and conducting inquiry into the complaints made by the victim on the harassment at the work place.

The following is a summary of Sexual Harassment Complaints received and disposed off during the financial year 2019-20:-

- a. Number of Complaints pending at the beginning of the year : **NIL**
- b. Number of Complaints of Sexual Harassment received during the year : **NIL**

- c. Number of Complaints disposed off during the year : **NA**
- d. Number of cases pending for more than ninety days : **NIL**
- e. Number of workshops or awareness programme against Sexual Harassment carried out : **TWO**
- f. Nature of action taken by the Company : **NA**
- g. Number of Complaints pending at the end of the year : **NIL**

20. SOCIAL OBLIGATIONS

The Company has generally taken corporate social responsibility initiatives. The Company made efforts for the betterment and upliftment of the living standards of Scheduled Castes and Scheduled Tribes dwelling in the adjoining areas of Dungarpur by providing them training and employment.

21. EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT-9 containing details as on the financial year ended on March 31, 2020 as required under Section 92(3) of the Act read with The Companies (Management and Administration) Rules 2014, is annexed to this report as **Annexure-2**.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Contracts/ arrangements/ transactions that were entered by the Company during the financial year 2019-20 are done on Arm's length basis. Disclosure of particulars of contract/arrangements entered into by the company with Related Parties referred to in sub-section (1) of section 188 of the Act (in Form No. AOC -2) is annexed to this report as **Annexure-3**. The related party transaction policy is available on the website of the company at the link [http://srsl.in /documents /RPT-POLICY.pdf](http://srsl.in/documents/RPT-POLICY.pdf).

23. PARTICULARS OF THE EMPLOYEES

Pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a detailed statement is annexed to this report as **Annexure-4**.

Further, with respect to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the names of the top ten employees in terms of remuneration drawn is listed below :

Sl. No	Name of the Employee	Designation of the Employee	Remuneration received (Rs.)	Nature of employment whether contractual or otherwise	Qualifications and experience of the employee	Date of Commencement of employment	The age of such employees (years) as on March 31, 2020	The last employment held by such employee before joining the company	The % of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above
1	Mr. Suresh Chandra Joshi	Vice President (PA & IR)	13,49,400	Permanent	M.A. (Economics), P.G. Diploma in Labour Law, Labour Welfare and Personnel Management & L.L.B. Exp.- 32 years	18/06/2015	58 Years	RSWM Ltd.	0.00

2	Mr. Shyam Lal Tundwal	Sr. Vice President (Technical)	11,87,150	Permanent	B-Tech in Textile Exp.- 45 years	11/01/2016	70 Years	RSWM Ltd.	0.00
3	Mr. Vinay Punjawat	Chief Financial Officer	10,999,37	Permanent	MBA (Finance) Exp.- 25 years	11/07/2015	53 Years	Indian Steel Corporation Ltd.	0.00
4	Mr. Raj Kumar Mahasani	Astt. Vice President (Marketing)	9,41,774	Permanent	M.A. & P.G. Diploma in Sales & Marketing Exp.- 29 years	22/01/1990	56 Years	Shree Rajasthan Syntex Ltd.	0.00
5	Mr. Radhey Shyam Choudhary	AVP(CAD)	7,30,613	Permanent	B.Com Exp.- 33 Years	01/02/2008	58 Years	Super Syncotex , Gulabpura	0.00
6	Mr. Kamleshwar Roy	Chief Engineer	7,05,094	Permanent	Polytechnic Diploma in Mechanical Exp.- 31 years	01/08/2011	54 Years	Punsumi India Ltd. Bhiwadi	0.00
7	Mr. Sanjay Kumar Rana	Sr. Manager	7,04,690	Permanent	Diploma in Mechanics	10/07/2017	48 Years	Chinar Forge Limited, Jalandhar	0.00
8	Mr. Narayan Lal Malpani	G.M.(Materials)	6,98,400	Permanent	B.Com Exp.- 36 Years	26/06/2017	59 years	Shayona Cement Corp, Malavi (Central Africa)	0.00
9	Mrs. Monika Ladia #	Special Executive	6,73,012	Permanent	B.E. (Chemical) From Sikkim Manipal University	01/04/1998	47 Years	Shree Rajasthan Syntex Ltd.	0.12
10	Mr. Prahlad Bilochi	AVP (Accounts)	6,48,238	Permanent	B.Com Exp.- Years	08/10/1986	55 Years	Shree Rajasthan Syntex Ltd.	0.00

*None of the aforesaid employee (except Mrs. Monika Ladia) is a relative of any director or manager of the Company.

Mrs. Monika Ladia is a wife of Mr. Vikas Ladia (Managing Director and CEO), Daughter in Law of Mr. Vinod Kumar Ladia, (Chairman) and Sister in Law of Mr. Anubhav Ladia (Whole Time Director) of the company.

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

Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations.

Pursuant to Section 134 (3)(m) of the Act read with rule 8(3) of The Companies (Accounts) Rules, 2014, relevant details of conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed to this report as **Annexure -5**.

25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the operations of the company are reviewed in detail in the Management Discussion and Analysis Report which is annexed to this report as **Annexure -6**.

26. CORPORATE GOVERNANCE

Your Company is compliant with the norms on Corporate Governance as provided in the Listing Regulations. Report on Corporate Governance for financial year 2019-20 is annexed to this report as **Annexure -7**.

27. OTHER COMPLIANCES

27.1 Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report: The outbreak of COVID-19 pandemic in the entire country resulted in Lockdown , announced by the Central and State Government , due to which the production activities of the Company situated at Dungarpur, was halted from 22nd March , 2020 till 4th April 2020 and restarted in phased manner . The Company has since resumed its manufacturing and operational activities. The Company is complying with all the safety measures required as per the detailed guidelines issued by the government authorities from time to time .The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial statements. The Company will assess any material changes to future economic conditions also.

27.2 Significant and material orders: Please refer point no. 40 to the Financial Statements.

27.3 Details in respect of adequacy of internal financial controls: For detailed discussion with reference to adequacy of internal financial controls, please refer to Management Discussion and Analysis Report annexed to this report as **Annexure-6**.

27.4 Disclosure of Accounting Treatment in preparation of Financial Statements: The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS). The Ind AS are prescribed under section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

27.5 Details of Subsidiary/ Joint Ventures / Associate Companies / and its Performance: Your company has no Subsidiary / Joint Ventures / Associate Companies.

28. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that:-

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Secretarial Standards

The Company has adhered to applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meeting of the Board of Directors' and 'General Meetings'.

30. OTHER DISCLOSURES

Other disclosures with respect to Board's Report as required under the Act and the Rules notified thereunder are either NIL or NOT APPLICABLE.

31. ACKNOWLEDGMENT

Your Directors wish to take this opportunity to place on record their gratitude and sincere appreciation for the timely and valuable assistance and support received from Bankers, Auditors, Customers, Suppliers, Share Transfer Agent and Regulatory Authorities and other stakeholders of the Company.

The Directors place on record their deep appreciation of the dedication of your Company's employees at all levels and look forward to their continued support in the future as well. Your Directors are thankful to the shareholders for their continued patronage.

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date : August 24, 2020
Place : Udaipur
Registered Office : 'SRSL House',
Pulla Bhuwana Road, NH-8
Udaipur - 313004
Rajasthan

Sd/- Vikas Ladia Managing Director and Chief Executive Officer) DIN: 00256289	Sd/- Anubhav Ladia (Whole Time Director) DIN: 00168312
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ANNEXURE 1

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2020**

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

To,
The Members,
Shree Rajasthan Syntex Ltd.
SRSL House, Pulla Bhuwana Road N.H. 8
Udaipur – 313 004 (Rajasthan)

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

Based on our verification of the Company’s books, papers, 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, we hereby report that in our opinion, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 (‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and 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; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (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)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the company.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further, independent director(s) were present at Board Meetings which were called at shorter notice to transact business which were considered urgent by the management in compliance of Section 173(3) of the Act. 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period the company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc *however, Company has defaulted in repayment to Banks and Banks has migrated/ classified Company's account as stressed asset. The restructuring with the Banks is in process, as confirmed by the Management.*

Place: Jaipur
Date: June 29, 2020
UDIN: F003355B0000392832

For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
Sd/-
CS Manoj Maheshwari
Partner
Membership No.: FCS 3355
CP No.:1971

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

Annexure A

To,
The Members,
Shree Rajasthan Syntex Ltd.
SRSL House, Pulla Bhuwana Road N.H. 8
Udaipur – 313 004 (Rajasthan)

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Jaipur
Date: June 29, 2020
UDIN: F003355B0000392832

For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
Sd/-
CS Manoj Maheshwari
Partner
Membership No.: FCS 3355
CP No.:1971

ANNEXURE 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS

1. CIN : L24302RJ1979PLC001948
2. Registration Date : November 15, 1979
3. Name of the Company : **SHREE RAJASTHAN SYNTEX LTD.**
4. Category / Sub-Category of the Company : Company limited by shares, Indian public non-government company
5. Address of the Registered office and contact details : 'SRSL HOUSE', Pulla Bhuwana Road, NH No. 8 Udaipur - 313004 (Rajasthan)
Phone No: 0294-2440334
Email: cs@srsll.in; houdr@srsll.in
Website: www.srsll.in
6. Whether listed company : Yes
7. Name, Address and Contact details of Registrar and Transfer Agent : **MAS Services Limited**,
T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi- 110020
Contact person: **Mr. Sharwan Mangla**
Phone No: 26387281/82/83
Email: info@masserv.com
Website: www.masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the company
01	Man made Fibre spun yarn	13114	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

IV. SHAREHOLDING PATTERN (Equity Share Capital breakup as a percentage of total equity)

1. Category-wise Share Holding :-

Category of shareholders	No. of shares held at the beginning of the year April 1, 2019				No. of shares held at the end of the year March 31, 2020				% change during the year
	Demat	Physical	Total	% of the share	Demat	Physical	Total	% of the share	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)
A. Promoter and Promoter Group									
(1) Indian									
a) Individual / HUF	23,99,627	0	23,99,627	17.51	23,99,627	0	23,99,627	17.51	0
b) Central Government	0	0	0	0.00	0	0	0	0.00	0
c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0
d) Bodies Corporate	40,95,584	0	40,95,584	29.89	40,95,584	0	40,95,584	29.89	0
e) Banks / Financial	0	0	0	0.00	0	0	0	0.00	0

Institutions									
f) Any Other	0	0	0	0.00	0	0	0	0.00	0
Sub- Total A(1)	64,95,211	0	64,95,211	47.40	64,95,211	0	64,95,211	47.40	0
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0
a.) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0
b.) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0
c.) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
d.) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
e.) Any other	0	0	0	0.00	0	0	0	0.00	0
Sub- Total A(2)	0	0	0	0.00	0	0	0	0.00	0
Total shareholding of promoters A= A(1)+A(2)	64,95,211	0	64,95,211	47.40	64,95,211	0	64,95,211	47.40	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	2,334	650	2,984	0.02	2,334	650	2,984	0.02	0.00
b) Banks / Financial Institutions	0	50	50	0.00	0	50	50	0.00	0.00
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Company	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Institutional Investor(s)	0	100	100	0.00	0	100	100	0.00	0.00
h) Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
i) Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub- Total B(1)	2,334	800	3,134	0.02	2,334	800	3,134	0.02	0.00
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	11,40,233	2,24,852	13,65,085	9.96	11,06,460	2,24,852	13,31,312	9.72	-0.24
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
b) Individual									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	19,73,919	5,82,122	25,56,041	18.65	19,68,200	5,70,059	25,38,259	18.52	-0.13
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	24,07,984	1,00,200	25,08,184	18.30	24,62,034	1,00,200	25,62,234	18.69	0.39
c) Any other									
i) Non- Resident Indian/ OCB	1,03,142	5,887	1,09,029	0.80	1,04,291	5,887	1,10,178	0.81	0.01
ii) Clearing Member	62,575	0	62,575	0.46	58,931	0	58,931	0.43	-0.03
iii) Trust	1,67,067	0	1,67,067	1.22	1,67,067	0	1,67,067	1.22	0
iv) Investor Education and Protection Fund	4,35,975	0	4,35,975	3.19	4,35,975	0	4,35,975	3.19	0
Sub- Total B(2)	62,90,895	9,13,061	72,03,956	52.58	63,02,958	9,00,998	72,03,956	52.58	0
Total Public shareholding B= B(1) + B(2)	62,93,229	9,13,861	72,07,090	52.60	63,05,292	9,01,798	72,07,090	52.60	0
C. Shares held by custodian for GDRs and ADRs	0	0	0	0.00	0	0	0	0.00	0
Grand Total (A+B+C)	1,27,88,440	9,13,861	1,37,02,301	100.00	1,28,00,503	9,01,798	1,37,02,301	100.00	0

2. Shareholding of Promoters and Promoter Group :-

Sl. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
2(1)	Promoter							
1	Vinod Kumar Ladia	8,66,018	6.32	0	8,66,018	6.32	0	0
2(2)	Promoter Group							
2	SRL Securities Ltd.	21,07,855	15.38	0	21,07,855	15.38	0	0
3	Shree Shyam Distributors and Marketing Private Limited	8,01,924	5.85	0	8,01,924	5.85	0	0
4	V K Texchem Pvt. Ltd.	7,44,871	5.44	0	7,44,871	5.44	0	0
5	Poonam Ladia	5,40,084	3.94	0	5,40,084	3.94	0	0
6	Vikas Ladia	5,02,515	3.67	0	5,02,515	3.67	0	0
7	Rajasthan State Industrial Development and Investment Corporation Limited	4,40,934	3.22	0	4,40,934	3.22	0	0
8	Anubhav Ladia	2,70,032	1.97	0	2,70,032	1.97	0	0
9	Vinod Kumar Ladia (HUF)	87,400	0.64	0	87,400	0.64	0	0
10	Vikas Ladia (HUF)	47,495	0.35	0	47,495	0.35	0	0
11	Anubhav Ladia (HUF)	35,000	0.26	0	35,000	0.26	0	0
12	Pooja Toshniwal	25,982	0.19	0	25,982	0.19	0	0
13	Puja Ladia	25,101	0.18	0	25,101	0.18	0	0
	Total [2(1)+2(2)]	64,95,211	47.40	0	64,95,211	47.40	0	0

3. Change in Promoter's Shareholding :- NIL

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Ruchit Bharat Patel				
	At the beginning of the year	4,00,000	2.92		
	Increase/Decrease	-	-	4,00,000	2.92
	At the end of the year			4,00,000	2.92
2	Dattani Ceramics Pvt. Ltd.				
	At the beginning of the year	319809	2.33		
	Decrease-Sale of Shares on 13.09.2019	(6136)	-	313673	2.28
	Sale of Shares on 18.09.2019	(914)	-	312759	2.28

	At the end of the year			312759	2.28
3	BJD Securities Private Ltd.				
.	At the beginning of the year	237748	1.74		
	Increase - Purchase of shares on 18.09.2019	250	-	237998	1.74
	Purchase of shares on 27.09.2019	500	-	238498	1.74
	Sale of Shares on 04.10.2019	(147)	-	238351	1.73
	Sale of Shares on 11.10.2019	(75)	-	238276	1.73
	Sale of Shares on 18.10.2019	(480)	-	237796	1.73
	Sale of Shares on 25.10.2019	(757)	-	237039	1.72
	Sale of Shares on 1.11.2019	(590)	-	236449	1.72
	Purchase of shares on 17.11.2019	585	-	237034	1.73
	At the end of the year			237034	1.73
4.	Shree Shyam Industries Pvt. Limited				
	At the beginning of the year	210215	1.53		
	Increase/Decrease	-	-	210215	1.53
	At the end of the year			210215	1.53
5.	Hardik B. Patel				
	At the beginning of the year	2,00,000	1.46		
	Increase/Decrease	-	-	2,00,000	1.46
	At the end of the year			2,00,000	1.46
6.	Rai Investments Ltd.				
	At the beginning of the year	189179	1.38		
	Decrease-Sale of Shares on 13.09.2019	(255)		188924	1.37
	Sale of Shares on 20.09.2019	(505)		188419	1.37
	Sale of Shares on 27.09.2019	(300)		188119	1.37
	Sale of Shares on 11.10.2019	(200)		187919	1.37
	Sale of Shares on 25.10.2019	(55)		187864	1.37
	Sale of Shares on 08.11.2019	(400)		187464	1.36
	Sale of Shares on 15.11.2019	(100)		187364	1.36
	Sale of Shares on 29.11.2019	(2700)		184664	1.34
	Sale of Shares on 06.12.2019	(2000)		182664	1.33
	At the end of the year			182664	1.33
7.	Shree Rajasthan Syntex Limited Employees Welfare Trust				
	At the beginning of the year	1,67,067	1.22		
	Increase/Decrease	-	-	1,67,067	1.22
	At the end of the year			1,67,067	1.22
8	Bharat Jamnadas Dattani				
.	At the beginning of the year	136382	1.00		
	Increase - Purchase of shares on 20.12.2019	200		136582	1.00
	At the end of the year			136582	1.00
9	Innovative Data Organisers Pvt. Ltd.				
.	At the beginning of the year	126394	0.92		
	Increase/Decrease	-	-	126394	0.92
	At the end of the year			126394	0.92
10.	Nilima Upendra Mehta				
	At the beginning of the year	110743	0.808		
	Increase - Purchase of shares on 13.09.2019	2539		113282	0.826
	Purchase of shares on 20.09.2019	2609		115891	0.845
	Purchase of shares on 30.09.2019	135		116026	0.847
	At the end of the year			116026	0.847

5. Shareholding of Director and Key Managerial Personnel :-

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Name of the Directors / Key Managerial Personnel	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Mr. Vinod Kumar Ladia (CM and WTD)				
	At the beginning of the year	8,66,018	6.32		
	Increase/Decrease	-	-	8,66,018	6.32
	At the end of the year			8,66,018	6.32
2.	Mr. Vikas Ladia (MD and CEO)				
	At the beginning of the year	5,02,515	3.67		
	Increase/Decrease			5,02,515	3.67
	At the end of the year			5,02,515	3.67
3.	Mr. Anubhav Ladia (WTD)				
	At the beginning of the year	2,70,032	1.97		
	Increase/Decrease	-	-	2,70,032	1.97
	At the end of the year			2,70,032	1.97
4.	Mr. Susheel Jain (NEID)				
	At the beginning of the year	1,38,284	1.01		
	Increase/Decrease	-	-	1,38,284	1.01
	At the end of the year			1,38,284	1.01
5.	Mr. Narendra Nath Agrawala (NEID)				
	At the beginning of the year	3,384	0.02		
	Increase/Decrease	-	-	3,384	0.02
	At the end of the year			3,384	0.02
6.	Ms. Neelima Khetan (NEID)				
	At the beginning of the year	-	-		
	Increase/Decrease	-	-	-	-
	At the end of the year			-	-
7.	Mr. Raj Singh Nirwan (NEID) Ceased on 01.06.2019				
	At the beginning of the year	-	-		
	Increase/Decrease	-	-		
	At the end of the year			-	-
8.	Mr. Sunil Goyal (NEID)				
	At the beginning of the year	-	-		
	Increase - Purchase of shares on 20.12.2019	-		-	-
	At the end of the year			-	-
9.	Mr. Vinay Punjawat (CFO)				
	At the beginning of the year	10	0.00		
	Increase/Decrease	-	-	10	0.00
	At the end of the year			10	0.00

10.	Ms. Ravina Soni (CS) (Ceased on 27.12.2019)				
	At the beginning of the year	-	-		
	Increase/Decrease	-	-	-	-
	At the end of the year			-	-
1	Mrs. Devanshi Uday Shah (w.e.f 04.01.2020)				
	At the beginning of the year	-	-		
	Increase/Decrease	-	-	-	-
	At the end of the year			-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment. **(Amount in Rs.)**

Particulars	Secured loans excluding deposits	Unsecured Loans	Deposits (Unsecured Fixed Deposits)	Total indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal amount	866,546,440	17,500,000	3,41,03,000	91,81,49,440
(ii) Interest due but not paid	160,398,548	-	7,845	16,04,06,393
(iii) Interest accrued but not due	-	2,494,071	5,22,450	30,16,521
Total (i+ii+iii)	1,026,944,988	19,994,071	3,46,33,295	1,081,572,354
* Addition	199,810,239	1,322,572	33,74,946	204,507,757
* Reduction	-	-	26,61,295	26,61,295
Net change	199,810,239	1,322,572	7,13,651	201,846,462
Indebtedness at the end of the financial year				
(i) Principal amount	941,312,182	17,000,000	34,504,000	992,816,182
(ii) Interest due but not paid	285,443,045	-	425,682	285,868,727
(iii) Interest accrued but not due	-	4,316,643	417,264	4,733,907
Total (i+ii+iii)	1,226,755,227	21,316,643	35,346,946	1,283,418,816

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total amount
		Mr. Vinod Kumar Ladia (Chairman and Whole Time Director)	Mr. Vikas Ladia (Managing Director and Chief Executive Officer)	Mr. Anubhav Ladia (Whole Time Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3044516	2400484	1815000	7260000
	(b) Value of perquisites u/s	707147	3205182	1865247	5777576

	17(2) of the Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock option				
3	Sweat Equity				
4	Commissioner - as % of profit - Others, specify.				
5	Others, please specify				
	Total	3751663	5605666	3680247	13037576

Due to inadequacy of the profit in the financial year 2019-20 and pursuant to section 197 of the Act and Schedule-V (as amended) and pursuant to special resolution passed by the shareholders in 39th AGM for appointment and remuneration of such managerial personnel, the remuneration in excess of limits have been paid .

B. Remuneration to other Directors :-

(Amount in Rs.)

Sl. No.	Particulars of remuneration	Name of the Directors					Total amount
		Mr. Raj Singh Nirwan	Mr. Sunil Goyal	Mr. Narendra Nath Agrawala	Mr. Susheel Jain	Ms. Neelima Khetan	
1							
	* Fee for attending Board, Committee meetings	14000	42,000	63,000	21000	21000	161000
	* Commission	-	-	-	-		161000
	* Others, please specify	-	-	-	-		
	Total (1)	14,000	42,000	63,000	21000	21000	
2	Other Non-Executive Directors						
	* Fee for attending Board, Committee meetings	-	-	-	-	-	-
	* Commission	-	-	-	-	-	-
	* Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
Total = (1+2) Total Management remuneration		14,000	42,000	63,000	21000	21000	161000
Overall ceiling as per the Act*		1% of Profit After Tax					

*During the year under review, the other Directors have received the remuneration by way of sitting fees only pursuant to section 197(5) of the Companies Act, 2013 and the same is within the ceiling limit.

C. Remuneration to Key Managerial Personnel other than MD / WTD / Manager :-
(Amount in Rs.)

Sl. No.	Particulars of remuneration	Name of Key Managerial Personnel				Total Amount
		Chief Executive Officer	Chief Financial Officer	Company Secretary	Company Secretary	
		Mr. Vikas Ladia	Mr. Vinay Punjawat	Ms. Ravina Soni (01.04.2019 to 27.12.2019)	Mrs. Devansh Uday Shah (04.01.2019 to 31.03.2020)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2400484	626468	221774	49453	3323664
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	3205182	473469	106168	20354	3816652
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock option					
3	Sweat Equity					
4	Commissioner - as % of profit - Others, specify.					
5	Others, please specify					
	Total	5605666	1099937	327942	69807	7103352

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.

Date : August 24, 2020
Place : Udaipur
Registered Office : 'SRSL House',

Pulla Bhuwana Road,
NH-8
Udaipur - 313004
Rajasthan

Sd/-
Vikas Ladia
Managing Director
and
Chief Executive Officer)
DIN: 00256289

Sd/-
Anubhav Ladia
(Whole Time Director)
DIN: 00168312

ANNEXURE 3

Form No. AOC- 2

CONTRACTS & ARRANGEMENTS WITH THE RELATED PARTIES

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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 arms length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered into by the company during the financial year ended March 31, 2020 which were not at arms' length basis.

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

Particulars	Details	
Name(s) of the related party	Shree Shyam Distributors & Marketing Private Limited	V K Texchem Private Limited
Nature of Relationship	Director is the Director in the said Company	Relatives of the directors are the Shareholders of the said Company
Nature of contracts/ arrangements/ transactions	Sale, purchase or supply of any goods or materials Availing or rendering of any services	Sale, purchase or supply of any goods or materials Availing or rendering of any services
Duration of the contracts / arrangements / transactions	5 Financial Years	5 Financial Years
Salient terms of the contracts or arrangements or transactions including the value, if any	Ceiling Limit for Sale, purchase or supply of any goods or materials - Rs. 100 Cr. Ceiling Limit for Availing or rendering of any services - Rs. 25 Cr.	Ceiling Limit for Sale, purchase or supply of any goods or materials - Rs. 100 Cr. Ceiling Limit for Availing or rendering of any services - Rs. 25 Cr.
Date(s) of approval by the Board	August 6, 2016	August 6, 2016
Amount paid as advances, if any	NIL	NIL

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date : August 24, 2020
Place : Udaipur
Registered Office : 'SRSL House',
Pulla Bhuwana Road, NH-8
Udaipur - 313004
Rajasthan

Sd/-
Vikas Ladia
Managing Director and
Chief Executive Officer)
DIN: 00256289

Sd/-
Anubhav Ladia
(Whole Time Director)
DIN: 00168312

ANNEXURE 4

DISCLOSURE ON THE REMUNERATION OF THE MANAGERIAL PERSONNEL

Details under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended March 31, 2020.

- i. the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year -

Directors-

1. Mr. Vinod Kumar Ladia (Chairman & WTD)	:	31.85: 1
2. Mr. Vikas Ladia (MD & CEO)	:	25.11 : 1
3. Mr. Anubhav Ladia (WTD)	:	18.99 : 1

*Other Directors receives Sitting Fees only

- ii. the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

1) Mr. Vinod Kumar Ladia (Chairman & WTD)	:	0.00
2) Mr. Vikas Ladia (MD & CEO)	:	0.00
3) Mr. Anubhav Ladia (WTD)	:	0.00
4) Mr. Vinay Punjawat (CFO)	:	0.00
5) Mrs. Devanshi Uday Shah (CS)	:	NA

*Other Directors receives Sitting Fees only

- iii. the percentage increase in the median remuneration of employees in the financial year : 7.53%

- iv. the number of permanent employees on the rolls of Company : 434

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

-Average increase in the remuneration of all employees excluding KMPs : 16.93%

-Average increase in the remuneration of KMPs: 0%

-Justification: *KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.*

It is be and hereby affirmed that the remuneration is as per the remuneration policy of the Company.

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date : August 24, 2020
Place : Udaipur
Registered Office : 'SRSL House',

**Pulla Bhuwana Road, NH-8
Udaipur - 313004
Rajasthan**

Sd/-
Vikas Ladia
Managing Director and
Chief Executive Officer)
DIN: 00256289

Sd/-
Anubhav Ladia
(Whole Time Director)
DIN: 00168312

ANNEXURE 5
ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy; In order to conserve energy, the company has taken various steps for efficient consumption of energy like use of synthetic tapes, light weight bobbins, soft starters, energy efficient motors, energy saving spindles etc.

(ii) the steps taken by the company for utilising alternate sources of energy; The Company is exploring renewal resources like bio fuel and is in active discussion with experts to start the Thermal Plant on such fuel.

(iii) the capital investment on energy conservation equipments; The Company makes substantial investment on energy conservation while procurement of its equipments to ensure that the most effective energy cost is charged to the company.

B. TECHNOLOGY ABSORPTION

i. the efforts made towards technology absorption; Company has absorbed the technique of cleaning the yarn electronically and that of Splicing instead of knotting in finishing department. It has adopted sturdy drafting in speed frame and also replaced open type Flyers with closed type for achievement of higher speed in existing speed frames.

ii. the benefits derived like product improvement, cost reduction, product development or import substitution as result of the above: Company achieved higher productivity and improved yarn quality.

iii. In case of imported technology (imported during last 3 years reckoned from the beginning of the financial Years) :
N/A

iv. Expenditure on R & D:

		(Rs. in Lakhs)
1. Capital	:	0.00
2. Recurring	:	16.60
3. Total	:	16.60
4. Total R & D Expenditure as a % of total turnover	:	0.24%

C. FOREIGN EXCHANGE EARNINGS & OUTGO.

The Company has exported its spun yarn mainly in the established markets in Egypt, Turkey, Algeria, USA, Belgium, Indonesia, Bangladesh & Morocco.

Particulars	2019-20 (Rs. in Lakhs)	2018-19 (Rs. in Lakhs)
1. Total foreign exchange used	0.73	149.85
2. Total foreign exchange earned	0.00	1495.62

For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.

Date : August 24, 2020
Place : Udaipur
Registered Office : 'SRSL House',
Pulla Bhuwana Road, NH-8
Udaipur - 313004
Rajasthan

Sd/-
Vikas Ladia
Managing Director and
Chief Executive Officer)
DIN: 00256289

Sd/-
Anubhav Ladia
(Whole Time Director)
DIN: 00168312

ANNEXURE 6

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The management of Shree Rajasthan Syntex Ltd. is presenting the Management Discussion and Analysis Report covering the operations and financial performance of the Company for the financial year 2019-20. The core business of the Company is manufacturing and marketing of synthetic blended yarn, cotton yarn and polypropylene multifilament yarn.

➤ **BUSINESS OVERVIEW**

The Company is one of the important players in man made fibre spinning with following capacity:

Units	Location	Products	Capacity
Syntex - Division	Simalwara Road Dungarpur	Synthetic Yarn	27,744 SPINDLES
Texchem - Division	Simalwara Road Dungarpur	(i) Synthetic Yarn (ii) Polypropylene Multi filament Yarn	31,488 SPINDLES 2,000 TPA
Polycot - Division	Simalwara Road Dungarpur	Cotton yarn	20,568 SPINDLES

The Company's sales network comprises of branches, depot as well as sales offices in different location.

➤ **INDUSTRY STRUCTURE AND DEVELOPMENTS**

1. The textile industry is one of the most significant industries for the Indian economy. The industry is one of the largest employers in India, employing more than 45 million people directly and 60 million people indirectly.
2. Due to its fragmented nature, the textile industry employs more in the unorganized sector especially in the rural areas and hence, it is of vital importance.
3. The textile industry can be segmented into Natural fibres and Man Made Fibres (MMFs) based on the use of basic raw material, cotton or crude derivative respectively. Among the various MMF product in the synthetic and cellulosic segments, polyester and viscose forms about 80% of total domestic consumption. Globally man-made fibres is the most dominantly consumed textile fibre.
4. The production of synthetic yarn /man made filament yarn is estimated at 1,711 million kgs in FY 2020. The volume of synthetic yarn production has increased by a CAGR of nearly 10% during FY 2016-20. Apart from covid induced demand disruption, the yarn sector is also witnessing a change in demand trend. Increasing popularity of synthetic textiles in India – in line with global trend – is expected to create structural changes in Indian yarn industry, which is dominated by cotton textiles.
5. Realizing the importance of the textile industry to the Indian economy, the government undertakes various measures through multiple governing bodies viz. Ministry of Textile, Ministry of Finance, Ministry of Rural Development, and Ministry of Human Resource Development. The government has allowed 100% FDI under the automatic route in the textile and clothing sector

➤ **INDUSTRY OPPORTUNITIES**

1. The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand.
2. Currently Indian yarn industry is dominated by cotton yarn. However, world over the usage of synthetic textile is gaining popularity due to the advantages it offers. Additionally, increasing cost of cotton, which results in increasing cost of cotton textiles, is also helping in the growth of synthetic yarn. Although cotton yarn would continue to hold the largest share in Indian yarn industry, its domination is expected to diminish in the coming years.
3. The Skill India and Make-in India programs of Central government headed by Prime Minister Shri Narendra Modi is helping the industry in getting required skilled manpower and good market for textile products. It is an opportunity for the textile industry to upgrade their technology and implement ERP to streamline supply chain and enhance customer relations management activities.
4. The structural reform of The Goods and Services Tax (GST) is expected to provide a boost to the economic growth and investments in the long run.

➤ INDUSTRIAL CHALLENGES

Even though India's textile industry is a huge contributor in terms of exports, industrial output and employment, like China's, India's domestic industry is not without its challenges.

1. **Higher input costs compared to competing nations**

India has one of the highest costs of capital compared to most competing countries which affects the cost of production and thus its competitiveness. Also, the power cost in India is much higher compared to competing nations.

2. **Low technology level**

The Textile Industry suffers from the use of low and outdated technologies. In general, spending on R&D, product development etc. by textile companies in India is quite low.

3. **Cyclical ups and downs & Demand adversities**

There has never been a continuous positive growth rate in textiles products for a longer time periods. Some times it was treated as a cyclical ups and downs, some times the demand adversities have really dented the growth.

4. **Foreign Trade Policy (FTP) disappointing for Textile**

The current Foreign Trade Policy has not provided any additional benefits to the textiles sector, though measures announced for improving ease of doing business and simplified procedures would be beneficial to the textile sector, among others. The policy will have continuity during the 5 years period and only a midterm review will be made.

5. **High debt servicing cost:**

The industry requires to give high debt servicing cost and with the lending rates in India in the range of 12 to 14%, they are significantly higher in comparison to the competing countries like China. The complete textile chain is not covered in the TUF Scheme and thus a large capital investment needs to be made at a very high rate of interest.

➤ RISK AND CONCERNS

a. **Raw material availability**

Though India is having sufficient availability of raw materials, namely, cotton, man made fibres and silk but factors such as low rain fall in the cotton growing areas, increase in crude oil prices in the international markets for basic raw materials of man made fibres and increase in logistic cost may effect the availability of raw material and competitiveness of the industry.

b. **Power availability**

Most of the textile mills in India, particularly in north and western parts are dependent on power supply by self-generation using coal as fuel due to low quality of availability of power from the government. Because of increase in cost of coal the cost of generation of power is increasing which may affect the competitiveness of the Industry.

c. **Currency risk**

Since the textile industry has a major portion of its revenue from exports, Indian rupee relationship with foreign currencies such as US Dollar is important. The industry hedges currency risks by forward currency cover against sale contracts. Hence movement in foreign currency vis-à-vis rupee has direct impact on exports realization and import cost. The volatile movement of Rupee against the US Dollar is a serious concern for the industry.

d. **Government Policies**

The Textile Industry is highly dependent on the Government Policies on various matters. Frequent changes in the taxation policies bring instability in the industry.

➤ PRODUCT WISE PERFORMANCE OF THE COMPANY

Chart given below gives the break up of sales between the domestics and export markets for the last 3 years:

(Rs. In Lakhs)

Revenue from operations	2019-20	2018-19	2017-18
Domestic	5661.51	15,131.92	19,776.61
Export	69.58	1,857.62	2,675.52

The current yarn portfolio of SRSL can be classified into 3 main categories-Grey yarn, dyed yarn and PPMF yarn.

- ❖ **Grey Yarn:** Grey yarn is produced using blends of different synthetic fibre such as polyester/viscose, 100% viscose yarn, 100% polyester fibre yarn and pure cotton. These qualities are produced in Shree Rajasthan Texchem division and Shree Rajasthan Polycot division of the Company. The Company has niche markets for 100% viscose fibre yarn. Specialty fibre yarns were developed for industrial and home textile applications.
- ❖ **Dyed yarns:** Dyed yarn is produced at Syntex division of the Company. These yarns are relatively higher value added products and made according to customers specifications of blend, counts and shades. The Company has speciality in producing home textile dyed yarns for end use such as carpets, tapestry and upholstery. Further the Company has now developed melange yarns for weaving and knitting applications.
- ❖ **PPMF Yarn:** Polypropylene multi filament yarn is produced at Shree Rajasthan Texchem division of the company at Dungarpur; POY and texturised yarn is produced for knitting, socks and furnishing applications. BCF yarn is produced for carpet applications.

➤ OPERATIONS

During the year under review, the Company's operations continued to be affected due to non availability of working capital for operations resulting in lower capacity utilisation and constrained margins due to high cost of Raw Material at uneconomical buying. Furthermore, the Company has not been able to undertake necessary regular capital expenditure as per industry norms for proper maintenance and upkeep of plant and equipment due to paucity of funds. The Company's financial highlights is summarized below:

(Rs. in Lakhs)

Particulars	Financial Year	
	March 31, 2020	March 31, 2019
Revenue from operations	6932.70	17,199.83
Other Income	163.91	201.50
Total Revenue (A)	7096.61	17,401.33
Expenses:-		
Cost of materials consumed	3267.13	10,614.22
Purchase of Stock-in-trade	7.76	0.00
Changes in inventories of finished goods, Work in progress and stock-in-trade	453.91	1,267.57
Employees benefit expenses	1280.41	2,186.90
Finance Costs	1474.09	1,592.67
Depreciation and Amortization expenses	441.31	448.54
Other Expenses	2329.62	4,347.04
Total Expenses (B)	9254.24	20,456.94
Profit/(loss) before exceptional items and tax (A) - (B)	(2157.63)	(3,055.61)
Exceptional items (gain)	-	1,096.11
Profit / (Loss) before tax	(2157.63)	(1,959.50)
Less : Tax expense	12.84	(186.74)
Profit / (Loss) for the period	(2170.47)	(1,772.76)
Other comprehensive Income (Net of Tax)	87.55	36.12
Total Comprehensive Income for the period (Comprising profit after tax and other comprehensive income after tax for the period)	2082.93	(1,736.64)

➤ OUTLOOK

Yarn is an intermediary product, and its demand is dependent on the demand sentiment prevailing in the downstream industries, namely apparels and home textiles. In the case of Indian yarn industry, apart from demand from downstream industries, export sentiment too has a bearing. This is because India is a major exporter of yarn, supplying cotton yarn to countries like China and Bangladesh. This export forms an integral part of the domestic yarn industry, contributing to its steady growth. The Covid pandemic and the subsequent lockdown has impacted both the demand avenues of Indian yarn industry, dealing to a significant blow to the industry.

➤ **DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. HRD activities are taken in the Company involving positive approach to develop employees to take care of productivity, quality and customer needs. The Company has to make constant efforts to manage labour shortages. To develop skilled labour, training facilities are provided to the employees in house or by deputing them to the machinery suppliers and to training institutes for specific training.

The Company has well developed management information system giving daily, monthly and periodical information to the different levels of management. Such reports are being analyzed and effective steps are taken to control the efficiency, utilization, productivity and quality in the Company.

➤ **KEY FINANCIAL RATIOS AND DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

Particulars	Financial Year		Explanation for Change
	2019-20	2018-19	
Inventory Turnover Ratio	8.91	9.40	Better inventory management
Debtor Turnover Ratio	33.43	57.85	Lower Turnover due to Job income
Current Ratio	0.49	0.78	Due to Liquidity Stress
Operating Profit Margin (%)	(31.12%)	(17.77 %)	Due to Lower Capacity Utilisation
Net Profit Margin Ratio (%)	(30.05%)	(10.09%)	Due to Financial Stress

➤ **RETURN ON NET WORTH**

The Company have negative Return on Networth in both current and previous year due to negative Total Comprehensive Income.

➤ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system commensurate with its size and nature of business. The internal control systems are complemented by various Management information System (MIS) reports covering all areas. The management reviews and strengthens the controls periodically.

Apart from self-monitoring of the internal controls, there is a Chartered Accountant firm appointed to conduct internal audit of the Company's operations as approved by the Audit Committee. This firm presents their important observations to the Audit Committee that is chaired by an Independent Director. The internal auditors provide a reassurance to the affirmation given by the Management that the control systems are effective, operational and adequate.

The Audit Committee takes due cognizance of the observations made by the auditors and gives their suggestions for improvement. The suggestions of the Audit Committee further ensure the quality and adequacy of the control systems.

The Company has appointed internal auditors for all the 4 units. The internal control ensures that all assets were safeguarded and protected against loss through unauthorized use or disposition and transactions were authorized, recorded noticed and reported correctly. While operating managers ensure compliance with their areas, internal auditors carry out audit test on randomly selected samples and report on non-compliance or weakness if any through internal audit reports of the respective unit/areas. These reports are reviewed by the management and then by Audit Committee of the Board for follow up action.

A report of Auditors pursuant to Sec 143(3)(i) of Companies Act, 2013 certifying the adequacy of Internal Financial Control is annexed with the Auditor's Report.

➤ **CAUTIONARY STATEMENT**

Statements in the Management Discussions and Analysis report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws and regulation. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand and supply and price conditions in domestic and overseas market in which the company operates, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factor.

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date : August 24, 2020
Place : Udaipur
Registered Office : 'SRSL House',
Pulla Bhuwana Road, NH-8
Udaipur - 313004
Rajasthan

Sd/- Vikas Ladia Managing Director and Chief Executive Officer) DIN: 00256289	Sd/- Anubhav Ladia (Whole Time Director) DIN: 00168312
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ANNEXURE 7

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Corporate Governance

The Company believes that Corporate governance provides a structure that works for the benefit of everyone concerned, by ensuring that the enterprise adheres to ethical standards, laws and accepted best practices. It imbibes the basic business ethics and values that need to be adhered to in letter and spirit. We believe that a transparent, ethical and responsible corporate governance framework essentially emanates from the intrinsic will and passion for good governance ingrained in the culture of the organisation. The Company has sought to consistently focus on good corporate governance by increasing transparency and accountability to its Shareholders and other Stakeholders. The Company wishes to be a responsible partner in society, acting with integrity towards its shareholders, customers, employees and the Government. Therefore, we ensure highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI). We believe, Corporate Governance is just not a destination, but a journey to constantly improve sustainable value creation. It is an upward moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

➤ Ethics / Governance Policies

The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. In this direction, the Company has, inter-alia, adopted the applicable codes and policies which act as enablers to carry out our duties in an ethical manner.

➤ Observance of Secretarial Standards issued by the Institute of Company Secretaries of India

The Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, are adhered to by the Company.

2. Board of Directors

2.1 Composition and Category of Directors

The Company is having an optimum combination of Executive and Non-Executive Directors to maintain its independence and separate its function of governance and management. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") mandate that for a company with an Executive Chairman, at least half of the Board should be Independent Directors. As on March 31, 2020, the Company's Board comprise of seven Directors as detailed below:-

a) Three Executive Directors

1. Mr. Vinod Kumar Ladia, Chairman and Whole Time Director, Promoter
2. Mr. Vikas Ladia, Managing Director and Chief Executive Officer, Promoter Group
3. Mr. Anubhav Ladia, Whole Time Director, Promoter Group

b) Four Non-Executive Directors

1. Mr. Narendra Nath Agrawala, Independent Director
2. Ms. Neelima Khetan, Independent Director
3. Mr. Sunil Goyal, Independent Director
4. Mr. Susheel Jain, Independent Director

A majority of the Board i.e. 4 (four) out of 7 are Independent Directors, i.e. 57.14% of the Board

strength which is more than the requirement of Listing Regulations. In the opinion of the Board, the Independent directors fulfill the conditions specified in these regulations and are independent of the management.

Mr. Vinod Kumar Ladia, Mr. Vikas Ladia and Mr. Anubhav Ladia are related to each other. Mr. Vinod Kumar Ladia being father of Mr. Vikas Ladia and Mr. Anubhav Ladia. Further, no other relationship exists between the Directors inter-se.

The Executive and Non-Executive Director are appointed/ re-appointed by the Board and the shareholders, based on the recommendation of the Nomination and Remuneration Committee which considers their overall experience, expertise and industry knowledge. The Board as a part of its succession planning exercise, reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

The Directors do not have any pecuniary relationship with the Company except to the extent of the following:-

- a) **Executive Directors:** Remuneration as per their terms of appointment and reimbursement of expenses actually incurred for the business of the Company, within the approved terms and conditions.
- b) **Non-Executive Directors:** Reimbursement of expenses and payment of sitting fees for the Board / Committee meetings attended by them.

2.2 Attendance and Directorship held

The Board of Directors met five times during the financial year 2019-20, i.e. on May 25, 2019 (Original), May 29, 2019 (Adjourned), August 12, 2019, November 12, 2019, January 4, 2020 and February 14, 2020. Notices of the meetings and agenda along with explanatory notes, for each meeting were sent to the Directors within prescribed time. As mandated by Listing Regulations, none of the Directors are members of more than ten committees nor they are Chairman of more than five Committees across all listed entities in which they are directors. Further, all the Directors have confirmed that they do not serve as an Independent Director in more than seven listed entities or where they are Whole Time Director in any listed entity, then they do not serve as Independent Director in more than three listed entities.

Mr. Raj Singh Nirwan, Independent Director resigned from the post of directorship with effect from close of business hours of 31st May, 2019. The detailed reason and confirmation by such director as required under Listing Regulations is available on the website of the Company at http://srsl.in/documents/Resignation_RSN.pdf

Also, Mr. Susheel Jain , Independent Director resigned from the post of directorship with effect from close of business hours of 15th July, 2020. The detailed reason and confirmation by such director as required under Listing Regulations is available on the website of the Company at http://srsl.in/documents/RESIGNATION_OF_DIRECTOR.pdf

The details of categories of the Director on the Board, their attendance at Board Meetings during the year and at last Annual General Meeting ("AGM"), and the number of Directorship, Committee memberships and Committee Chairmanship held by them in various other Companies and Names of such listed entities where the person is a director and category of directorship, are as under:-

Sr. No.	Name of the Director and DIN	Category	No. of Board Meetings entitled to attend	No. of Board Meetings Attended	Attendance at Last AGM	No. of other Director-ship(s) ⁽¹⁾	No. of Committee Membership(s) ⁽¹⁾⁽²⁾	No. of Committee Chairmanship(s) ⁽¹⁾⁽²⁾	No. of shares held	Names of the listed entities where the person is a director and its category
1.	Mr. Vinod Kumar Ladia (DIN: 00168257)	ED (Promoter)	5	5	Yes	6	-	-	8,66,018	-
2.	Mr. Vikas Ladia (DIN: 00256289)	ED (Promoter Group)	5	3	Yes	1	-	-	5,02,515	-
3.	Mr. Anubhav Ladia (DIN: 00168312)	ED (Promoter Group)	5	5	Yes	4	-	-	2,70,032	-
4.	Mr. Narendra Nath Agrawala (DIN: 00168211)	NEID	5	5	Yes	-	-	-	3,384	-
5.	Mrs. Neelima Khetan (DIN: 05113000)	NEID	5	3	No	-	-	-	0	-
6.	#Mr. Raj Singh Nirwan (DIN: 00313799)	NEID	1	1	No	-	-	-	0	-
7.	Mr. Sunil Goyal (DIN: 00110601)	NEID	5	3	No	2	2	2	0	Vaibhav Global Limited (Independent Director)
8.	Mr. Susheel Jain * (DIN: 00378678)	NEID	5	2	No	2	-	-	1,38,584	-

Notes:-

- ✧ ED - Executive Director
- ✧ NEID - Non- Executive Independent Director

Mr. Raj Singh Nirwan ceased to be Director of the company with effect from close of business hours of 31st May, 2019.

* Mr. Susheel Jain ceased to be Director of the company with effect from close of business hours of 15th July, 2020.

(1) Excluding Directorship / Membership in Committees of Shree Rajasthan Syntex Ltd.

(2) As required under Regulation 26 of the Listing Regulations, the disclosure includes membership / chairmanship of the Audit Committee and Stakeholders' Relationship Committee in other companies.

2.3 Familiarization Programme for Independent Directors

The objective of a familiarization programme is to ensure that the Non-Executive Directors are updated on the business environment and overall operations of the Company. This enables the Non-Executive Directors to make better informed decisions in the interest of the Company and its shareholders. In compliance with the requirements of Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc.

During the year, Familiarization programmes were conducted for Non-Executive Directors to update them about business related issues and new initiatives of the Company. At such meetings, the Executive Directors share point of views and leadership thought on relevant issues. An overview of the familiarization programme is placed on the Company's website on the below link http://www.srsl.in.http://srsl.in/documents/FAMILIARIZATION-PROGRAMMES_2019-20.pdf

2.4 Key Board qualifications, expertise and attributes

The Board of Directors of the Company comprises of persons with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees.

The following list summarizes the key skills, expertise and competence that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its Members possess

Sr. No	List of core skills/ expertise/ competencies	Vinod Kumar Ladia	Vikas Ladia	Anubhav Ladia	Narendra Nath Agrawala	Neelima Khetan	Sunil Goyal	Susheel Jain
1.	Leadership	√	√	√	√	√	√	√
2.	Corporate Governance	√	√	√	√	√	√	√
3.	Knowledge of Textile Industry	√	√	√	√	√		√
4.	Analytical skills to	√	√	√	√	√	√	√

	diagnose situation							
5	Financial Analysis	√	√	√	√	√	√	√
6	Relevant Legal understanding	√	√	√	√		√	√

2.5 Information supplied to the Board

Minimum four Board meetings are held annually. Additional Board Meetings are convened by giving appropriate notice and agenda to address the Company's specific needs. The items / matters placed before the Board *inter alia* includes:-

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results for the listed entity and its operating divisions or business segments.
4. Minutes of meetings of audit committee and other committees of the board of directors.
5. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices, which are materially important.
7. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
8. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
9. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
10. Details of any joint venture or collaboration agreement.
11. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
15. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
16. Annual Secretarial Audit Reports submitted by Secretarial Auditors
17. Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made
18. Significant changes in accounting policies and internal control system
19. Statement of significant transactions, related party transactions and arrangements
20. Appointment of and fixing of remuneration of the auditors as recommended by the Audit committee
21. Internal Audit findings and External Audit Reports (through the Audit Committees)
22. Status of business risk exposures, its management and related action plans
23. Making of loans and investment of surplus funds
24. Borrowing of monies, giving guarantees or providing security in respect of loans
25. Brief on statutory developments, changes in government policies, among others with impact thereof,
26. Director's Responsibilities arising out of any such developments
27. Compliance Certificate certifying compliances with all laws as applicable to the Company
28. Various quarterly / half-yearly Compliances as mentioned below:-

- a. Reconciliation of Share Capital Audit Report under Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 / 2018.
- b. Compliance Certificate ensuring maintenance of physical and electronic transfer facility as per Regulation 7(3) of Listing Regulations.
- c. Statement of Investor Complaints as per Regulation 13(3) of Listing Regulations.
- d. Corporate Governance Report as per Regulation 27 of Listing Regulations.
- e. Shareholding Pattern as per Regulation 31 of Listing Regulations.
- f. Certificate from Practicing Company Secretary under Regulation 40(9) of Listing Regulations.

2.6 Code of Conduct

The Company has laid down a Code of Conduct for all the members of the Board of Directors, Key Managerial Personnels (KMPs) and Senior Management Personnels (SMPs) for avoidance of conflict of interest. All the Directors, KMPs and SMPs have confirmed compliance with Code of Conduct for the financial year 2019-20. A copy of the Code is available on the Company's website at <http://www.srsl.in/documents/CODE.pdf> also. The Chief Executive Officer has given a certificate of compliance with the Code of Conduct which forms part of report on Corporate Governance as required under Regulation 34 read with Schedule V of Listing Regulations.

There were no material, financial and commercial transactions in which the SMPs had personal interest which could lead to potential conflict of interest with the Company during the year.

3. Audit Committee

3.1 Composition, Meetings and Attendance

As on March 31, 2020 the Audit Committee is constituted as per the requirement of Section 177 of the Companies Act, 2013 ("the Act") and Regulation 18 of Listing Regulations who possess financial / accounting expertise / exposure. Four meetings of the Audit Committee were held during the financial year 2019-20 on May 25, 2019, August 12, 2019, November 12, 2019 and February 14, 2020. The accounts and financial positions were reviewed and recommended by the Audit Committee and thereafter placed before the Board for their consideration. Further, all the recommendations of the Committee were accepted by the Board of Directors. The details of meetings and attendance were duly minutised.

The details of members and their categories, their attendance at Audit Committee Meetings during the year are as under:-

Sr. No.	Name of the Directors	Position held in the committee	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Raj Singh Nirwan*	Chairman	NEID	1	1
2.	Mr. Sunil Goyal#	Member / Chairman	NEID	4	3
3.	Mr. Narendra Nath Agrawala	Member	NEID	4	4
4.	Mr. Susheel Jain^	Member	NEID	4	1
5.	Mr. Vinod Kumar Ladia	Member	WTD	4	4

Notes:-

- ✧ NEID - Non- Executive Independent Director
- ✧ WTD - Whole Time Director

* Mr. Raj Singh Nirwan ceased to be Independent Director and member of Audit Committee with effect from close of business hours of 31st May, 2019.

Mr. Sunil Goyal became the Chairman of the Audit Committee w.e.f. August 12, 2019

^ Mr. Susheel Jain ceased to be Independent Director and member of Audit Committee with effect from close of business hours of 15th July, 2020.

The Chief Financial Officer and Auditors are invitees to the Audit Committee Meetings. Mr. Sunil Goyal, Chairman of the Audit Committee, authorised Mr. Vinod Kumar Ladia, Member, on his behalf, to attend the 39th AGM of the Company, which was held on September 25, 2019. Company Secretary and Compliance Officer of the Company is the Secretary of the Committee.

3.2 Powers of the Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

3.3 Brief description of terms of reference of the Audit Committee

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation of the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company;
3. Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them;
4. Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:-
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by the management;
 - d. Significant adjustments made in financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statement;
 - f. Disclosure of any related party transactions; and
 - g. Qualifications in draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing and monitoring the auditors independence and performance and effectiveness of audit process;

7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management system;
11. Reviewing with the management, performance of statutory auditors, cost auditors and internal auditors, adequacy of internal control systems;
12. Discussion with internal auditors on any significant findings and follow up thereof;
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
14. Approval of appointment of Chief Financial Officer of the Company;
15. To review the functioning of the Whistle Blower Mechanism;
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
17. Reviewing the following information:-
 - a. The management discussions and analysis of financial condition and results of operations.
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c. Management letters/letters of internal control weaknesses issued by the statutory auditors.
 - d. Internal auditor reports relating to internal control weaknesses; and
18. The appointment, removal and terms of remuneration of internal auditors/ chief internal auditor

4. Nomination and Remuneration Committee

4.1 Composition, Meetings and Attendance

As on March 31, 2020 the Nomination and Remuneration Committee is constituted as per the requirement of Section 178 of the Act and Regulation 19 of Listing Regulations. Two meetings of the Nomination and Remuneration Committee were held during the financial year 2019-20, on May 25, 2019 and January 4, 2020. The details of meetings and attendance were duly minutised. Further, all the recommendations of the Committee were accepted by the Board of Directors.

The details of members and their categories, their attendance at Nomination and Remuneration Committee Meetings during the year are as under:-

Sr. No.	Name of the Directors	Position held in the committee	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Narendra Nath Agrawala	Chairman	NEID	2	2
2.	Mr. Raj Singh Nirwan*	Member	NEID	1	1
3.	Mr. Vinod Kumar Ladia	Member	WTD	2	2
4.	Mr. Susheel Jain^	Member	NEID	2	0
5.	Mr. Sunil Goyal #	Member	NEID	1	0

Notes:-

✧ NEID - Non- Executive Independent Director

✧ WTD - Whole Time Director

* Mr. Raj Singh Nirwan ceased to be Independent Director and member of Nomination and Remuneration Committee with effect from close of business hours of 31st May, 2019.

Mr. Sunil Goyal was inducted as a new member of the Nomination and Remuneration Committee with effect from August 12, 2019.

^ Mr. Susheel Jain ceased to be Independent Director and member of Nomination and Remuneration Committee with effect from close of business hours of 15th July, 2020.

Mr. Narendra Nath Agrawala, Chairman of the Nomination and Remuneration Committee, has attended the 39th AGM of the Company, which was held on September 25, 2019. Company Secretary and Compliance Officer of the Company is the Secretary of the Committee.

4.2 Brief description of terms of reference of the Nomination and Remuneration Committee

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(3) devising a policy on diversity of board of directors;

(4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(6) recommend to the board, all remuneration, in whatever form, payable to senior management.

4.3 Performance Evaluation Criteria For Directors

The Company has devised criteria for evaluation of the Directors including Independent Directors. The said criteria provide certain parameters like Attendance, Availability, Time spent, Preparedness, Active participation, Analysis, Objective discussions, Probing and testing

assumptions, Industry and Business knowledge, Functional expertise, Corporate Governance, Development of Strategy and Long Term Plans, Inputs in strength area, Director's obligation and discharge of responsibilities, Quality and value of contributions and Relationship with other Board Members etc. which is in compliance with applicable laws, regulations and guidelines. The below table shows Evaluation Criteria:

S. No.	CRITERIA	EVALUATION
A.	<i>The Board as whole</i>	The Board as a whole was evaluated on the basis of given criteria and it was observed by the Board that :-
1.	Structure of the Board	✓ Board as a whole has directors with a proper mix of skills, qualifications, competencies and experiences to conduct its affairs effectively and is sufficiently diversified based on Gender, background, competence, experience, etc.
2.	Meetings of the Board	<ul style="list-style-type: none"> ✓ Meetings are held on a regular basis and frequency of such meetings is enough for the Board to undertake its duties properly and proper intimations are received for the meetings. ✓ Agenda is circulated well before the meeting containing most of the information to take decision on the matter. Board discusses every issue comprehensively depending on the importance of the subject. Discussions generally add value to the decision making. All members actively participate in the discussions. ✓ The minutes are being recorded properly- clearly, completely, accurately and consistently and are approved properly in accordance with set procedures. ✓ The minutes are timely circulated to all the Board members. ✓ All the information pertaining to the meeting are disseminated to the members timely, frequently, accurately, regularly.
3.	Functions of the Board	Board as a whole ensures :- <ul style="list-style-type: none"> ✓ Its Role and responsibilities ✓ Strategy and performance evaluation ✓ Governance and compliance ✓ Evaluation of Risks ✓ Grievance redressal for Investors ✓ Conflict of interest ✓ Stakeholder value and responsibility ✓ Facilitation of independent directors
4.	Board and management	Board as a whole ensures :- <ul style="list-style-type: none"> ✓ Evaluation of performance of the management and feedback ✓ Independence of the management from the Board ✓ Access of the management to the Board and Board access to the management ✓ Secretarial support
5.	Professional development	✓ adequate induction programmes are conducted for directors
B.	<i>All The Committees of the Board</i>	The Committees of the Board was evaluated on the basis of given criteria' s and it was observed by the Board that -
1.	Mandate and composition	✓ Mandate, composition and working procedures of committees of the board of directors is clearly defined and disclosed
2.	Effectiveness of the Committee	✓ Committee has fulfilled its functions as assigned by the Board and laws as may be applicable
3.	Structure of the Committee and meetings	✓ Committees have proper structure and regular meetings are being held
4.	Independence of the Committee from the Board	✓ Independence of the Committee is ensured from the Board
5.	Contribution to decisions of the Board	✓ Committee ' s recommendations contribute effectively to the decisions of the Board.
C.	<i>Individual Directors and Chairperson (including</i>	Individual Directors & Chairperson (including Chairperson, CEO, Independent Directors, Non-independent directors, etc.) were

	Chairperson, CEO, Independent Directors, Non-independent directors, etc.)	evaluated on the basis of given criteria ' s (in the absence of the respective director being evaluated) and it was observed by the Board that -
1.	General	<ul style="list-style-type: none"> ✓ Proper Qualifications, Experience, Knowledge and Competency of the Directors ✓ Fulfillment of functions, Commitment, Integrity and Contribution is ensured by all the Directors. ✓ Directors ensures the attendance in the meeting as per their availability.
2.	Additional criteria for Independent Director	<ul style="list-style-type: none"> ✓ Independent Directors are independent from the entity and other directors and there if no conflict of interest ✓ Independent Directors exercises his/ her own judgement and voices opinion freely
3.	Additional criteria for Chairperson	<ul style="list-style-type: none"> ✓ Chairperson displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to coordinate the discussion, etc. and is overall able to steer the meeting effectively ✓ Chairperson is impartial in conducting discussions, seeking views and dealing with dissent, etc. ✓ Chairperson is sufficiently committed to the Board and its meetings.

4.4 Nomination and Remuneration Policy ('Policy')

The Company has formulated The Nomination and Remuneration Policy which is available at Company's website at http://www.srsl.in/documents/Revised_Nomination_and_Remuneration_Policy.pdf.

The policy briefly includes:-

- 1) Appointment/re-appointment Criteria and Qualifications of Director, KMPs, SMPs and other employees as may be decided by the Board of Directors.
- 2) Term / Tenure of Director, KMPs, SMPs and other employees.
- 3) Familiarization programme for Independent Directors.
- 4) Criteria for evaluation.
- 5) Removal and Retirement of Directors, KMPs, SMPs and other employees.
- 6) Provisions relating to remuneration of Director, KMPs, SMPs and other employees.
- 7) Policy on Board Diversity

4.5 Disclosures with respect to remuneration

- a. Details of all elements of Remuneration paid to Directors for the financial year 2019-20 and period of service contract

(Amount in Rupees)

Sr. No.	Name and designation of director	Period of service contract	Salary	Allowances	Perquisites	Sitting fee	Total
1.	Mr. Vinod Kumar Ladia (CM & WTD)	3 yrs.	30,44,516	540986.92	1,66,161	-	37,51,663.92
2.	Mr. Vikas Ladia (MD & CEO)	3 yrs.	24,00,484	2,88,058.08	29,17,124	-	56,05,666.08
3.	Mr. Anubhav Ladia (WTD)	3 yrs.	18,15,000	3,03,262	15,61,985	-	36,80,247

4.	Mr. Narendra Nath Agrawala (NEID)	5 yrs.	-	-	-	63,000	63,000
5.	Mrs. Neelima Khetan (NEID)	5 yrs.	-	-	-	21,000	21,000
6.	Mr. Raj Singh Nirwan (NEID)*	5 yrs.	-	-	-	14,000	14,000
7.	Mr. Sunil Goyal (NEID)	5 yrs.	-	-	-	42,000	42,000
8.	Mr. Susheel Jain (NEID) #	5 yrs.	-	-	-	21,000	21,000

Notes:-

- ✧ CM - Chairman
- ✧ WTD - Whole Time Director
- ✧ MD & CEO - Managing Director and Chief Executive Officer
- ✧ ED - Executive Director
- ✧ NEID - Non- Executive Independent Director

* Mr. Raj Singh Nirwan ceased to be Director of the company with effect from close of business hours of 31st May, 2019.

Mr. Susheel Jain ceased to be Director of the company with effect from close of business hours of 15th July, 2020.

b. Employment agreements with Whole Time Directors

Key details of Appointments / Re-appointment and Notice period of Whole Time Directors are as below:-

- Appointment and terms thereof (including remuneration) of Mr. Vinod Kumar Ladia, Chairman and Whole Time Director, has been approved for 3 years with effect from June 1, 2019 to May 31, 2022 with 6 months notice period.
- Appointment and terms thereof (including remuneration) of Mr. Vikas Ladia, Managing Director and Chief Executive Officer, has been approved for 3 years with effect from June 1, 2019 to May 31, 2022 with 6 months notice period.
- Re-appointment and terms thereof (including remuneration), of Mr. Anubhav Ladia, Whole Time Director, has been approved for 3 years with effect from June 1, 2019 to May 31, 2022 with 6 months notice period.

c. The remuneration to Executive / Whole Time Directors is paid as determined/ recommended by the Nomination and Remuneration Committee, Board of Directors and Shareholders.

d. Details of fixed component and performance linked incentive along with the performance criteria : Salary has fixed component only and no performance linked incentive.

e. Non-Executive Director's remuneration

Non-Executive Directors are being paid Sitting fee plus reimbursement of the expenses, for each meeting of the Board of Directors and Audit Committee.

f. No severance fees has been paid during the year.

5. Stakeholders' Relationship Committee

5.1 Composition, Meetings and Attendance

As on March 31, 2020 the Stakeholders' Relationship Committee is constituted as per the requirement of Section 178 of the Act and Regulation 20 of Listing Regulations. The Stakeholders' Relationship Committee is primarily responsible to review all grievances connected with the Company's transfer of securities and redressal of shareholders'/investors'/security holders' complaints. Four meetings of the Stakeholders' Relationship Committee were held during the financial year 2019-20, on May 25, 2019, August 12, 2019, November 12, 2019 and February 14, 2020. The details of meeting and attendance are duly minutised.

The details of members and their categories, their attendance at Stakeholders' Relationship Committee Meetings during the year are as under:-

Sr. No.	Name of the Directors	Position held in the committee	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Narendra Nath Agrawala	Chairman	NEID	4	4
2.	Mr. Vinod Kumar Ladia	Member	WTD	4	4
3.	Mr. Anubhav Ladia	Member	WTD	4	4

Notes:-

- ✧ NED - Non- Executive Director
- ✧ NEID - Non- Executive Independent Director
- ✧ WTD - Whole Time Director

Mr. Narendra Nath Agrawala, Chairman of the Stakeholders' Relationship Committee, has attended the 39th AGM of the Company, which was held on September 25, 2019. Ms. Ravina Soni, Company Secretary cum Compliance Officer was the Secretary of the Committee (upto 27th December, 2019) and Mrs. Devanshi Uday Shah w.e.f 4th January, 2020, Company Secretary and Compliance Officer is the Secretary of the Committee. Further, all the recommendations of the Committee were accepted by the Board of Directors.

5.2 Brief description of terms of reference of the Stakeholders' Relationship Committee

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

5.3 Number of Shareholders' complaints received and resolved during the financial year 2019-20

Details of queries and grievances received and addressed by the Company during financial year

2019-20 is given in the below Table.

Nature of Complaints	Number
Number of complaints received from the investors comprising non-receipt of dividend warrants, non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / SEBI (SCORES) and so on	1
Number of complaints resolved	1
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2020	Nil
Number of complaints pending as on March 31, 2020	Nil

6. Sub-Committee

6.1 Composition, Meetings and Attendance

As on March 31, 2020 the Sub-Committee of the Company comprises of 4 Directors. The Sub-Committee deals with various matters which includes:-

- To Borrow Money (otherwise than by issue of shares and debentures)
- To invest the funds of the Company
- To grant loan or give guarantee or provide the security in respect of loans
- To carry out the Banking Functions
- To delegate authority and such other matters as authorised by the Board of Directors.

One meeting of Sub-Committee of the Board was held during the financial year 2019-20. Two members constitute the quorum for each meeting. The meeting was held on July 17, 2019. The details of meeting and attendance are duly minutised. Company Secretary cum Compliance Officer of the Company is the Secretary of the Committee.

The details of members and their categories, their attendance at Sub-Committee Meetings during the year are as under:-

Sl. No.	Name of the Directors	Position held in the committee	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Anubhav Ladia	Member	WTD	1	1
2.	Mr. Narendra Nath Agrawala	Member	NEID	1	1
3.	Mr. Vikas Ladia	Member	MD	1	0
4.	Mr. Vinod Kumar Ladia	Member	WTD	1	1

Notes:-

- ✧ MD - Managing Director
- ✧ NEID - Non- Executive Independent Director
- ✧ WTD - Whole Time Director

6.2 Brief description of terms of reference of the Sub-Committee

1. Exercise all powers to borrow monies (otherwise than by issue of shares and debentures) within the limits approved by the Board and taking necessary actions connected therewith including refinancing for optimisation of borrowing costs.
2. Borrow monies by way of loan for the purpose of financing debt, refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments within the limits approved by the Board.
3. Carry out, rescind or vary/modify all or any of the financial arrangement with / assistance from Banks, Institutions, companies, corporations, societies, firms, person or persons on behalf of the Company within the prescribed limits.
4. Invest the funds of the Company within the limit approved by the Board.
5. Giving of loans / guarantees / issuing letters of comfort / providing securities in respect of loans within the limits approved by the Board.
6. Provide corporate guarantee/performance guarantee by the Company within the limits approved by the Board.
7. Approve opening, closing and operation of Accounts (including internet banking facilities) with banks and delegate authority to directors / executives / officers to operate the bank accounts.
8. Delegate authorities from time to time to the directors / executives / authorised persons to implement the decisions of the Committee.
9. Delegate the authority in part or in full to the directors/ executives/ officers of the Company to deal with the Court, any State/Central Government Office, any Executive, Quasi Judiciary, Judiciary and/or other Government authorities and to deal with such other authorities / department necessary to carry out the functioning of the Company.
10. Delegate authority to director / executives / officers to deal with any specific matter.
11. Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

7. General Body Meetings

7.1 Annual General Meetings

- a. Location and time, where last 3 Annual General Meetings were held:-

Financial Year	Date	Time	Location
2018-19	September 25, 2019	2.30 P.M.	SRSL House, Pulla Bhuwana Road, NH 8, Udaipur -313 004 (Rajasthan)
2017-18	September 26, 2018	2.30 P.M.	SRSL House, Pulla Bhuwana Road, NH 8, Udaipur -313 004 (Rajasthan)
2016-17	September 26, 2017	2.30 P.M.	SRSL House, Pulla Bhuwana Road, NH 8, Udaipur -313 004 (Rajasthan)

b. Special Resolutions passed in the previous three Annual General Meetings:-

Sr. No.	AGM held on	Special Resolution passed
1.	September 25, 2019	<p>1. Re-appointment of Mr. Vinod Kumar Ladia as an Executive Chairman and Whole Time Director ('Key Managerial Personnel')</p> <p>2. Re-appointment of Mr. Vikas Ladia as Managing Director and Chief Executive Officer ('Key Managerial Personnel')</p> <p>3. Re-appointment of Mr. Anubhav Ladia as an Executive Director of the Company</p> <p>4. To sell, Transfer and/ or Dispose off the whole or substantially the whole of the undertaking of the Company under section 180(1) (a) of the Companies ACT, 2013 Both present and future</p>
2.	September 26, 2018	<p>1. Re-appointment of Mr. Narendra Nath Agrawala (DIN: 00168211) as an Independent Director</p> <p>2. Re-appointment of Mr. Raj Singh Nirwan (DIN: 00313799) as an Independent Director</p> <p>3. Re-appointment of Mr. Sunil Goyal (DIN: 00110601) as an Independent Director</p> <p>4. Re-appointment of Mr. Susheel Jain (DIN: 00313799) as an Independent Director</p> <p>3. Revision in terms of appointment of Mr. Vinod Kumar Ladia, Executive Chairman and Whole Time Director of the Company</p>
3.	September 26, 2017	No special resolution was passed in this meeting

*No Extraordinary General Meeting was held during the year.

7.2 Postal Ballot

During the year, no resolution was passed through postal ballot. Also, no special resolution is proposed to be conducted through postal ballot. Further, none of the business proposed to be transacted in the ensuing AGM requires passing through postal ballot.

8. Means of Communication

(a) Quarterly Results:- The Company's quarterly, half yearly and yearly results as per the format prescribed under Listing Regulations were duly sent to the Stock Exchange, where the shares are listed and were also made available on company's website at www.srsl.in.

(b) Newspaper wherein results were published:- As stipulated under Regulation 47 of the Listing Regulations, the quarterly results were published in one English National Newspaper and one Hindi Newspaper within 48 hours of the conclusion of the Board meeting in which the results were approved. During the year, notice and financial results (Audited / Unaudited) were published in Financial Express and Business Remedies within the prescribed time.

(c) **Website:-** The Company's website www.srsl.in contains 2 separate sections viz. 'Corporate Governance' and 'Investor / Shareholder' where shareholders information are available. The Company's Annual Report is also made available in a user friendly and download-able form.

(d) **Annual Report:-** The Annual Report containing, inter alia, Board's Report, Audited Financial Statements, Auditor's Report and other important information is circulated to members and others entitled thereto. The *Management Discussions and Analysis Report* forms part as **Annexure-6** of the Annual Report. Annual Report is made available on the Company's website at www.srsl.in also.

(e) **News releases, presentations, among others:-** Official news releases and official media releases, if any, were sent to Stock Exchange and also made available on company's website at www.srsl.in.

(f) **Designated Exclusive email-ID:-** The Company has designated the following email ids exclusively for investor servicing:-

For queries on Annual Report: cs@srsl.in

For queries in respect of shares in physical mode: mas_serve@yahoo.com

Contact person for IEPF and Grievance Redressal:- Mrs. Devanshi Shah ,Nodal Officer
Company Secretary And Compliance Officer,Phone No.:-0294-2440334, E-mail:-cs@srsl.in

9. General Shareholder Information:-

a. Annual General Meeting-

Date : September 26, 2020
Time : 2.00 P.M. IST through VC/OAVM

*Financial Calendar Particulars April 1, 2020 to March 31, 2021 (Tentative)

- | | | |
|---|---|---|
| 1. First quarter Results | : | In or before the 2 nd week of August, 2020. |
| 2. Second quarter and Half Yearly Results | : | In or before the 2 nd week of November, 2020 |
| 3. Third quarter and Nine-months Results | : | In or before the 2 nd week of February, 2021 |
| 4. Fourth quarter and Annual Results | : | In or before the 4 th week of May, 2021 |

*Annual General Meeting 2020-21 : Last week of September, 2021 (Tentative schedule)

*Date of Book Closure : Sunday, September 20, 2020 -
Saturday, September 26, 2020 (Both days inclusive)

b. Dividend Payment Date : Not Applicable

c. Name and Address of : Equity shares of the company are listed at
BSE Limited.,

Stock Exchange 25th Floor, P. J. Towers, Dalal Street Fort,
Mumbai - 400 001

The Annual Listing fees for the financial year 2019-20 to BSE Limited has been paid.

d. Payment of Depository Fees : Annual Custody/Issuer fee for the
financial year 2019-20 has been paid by

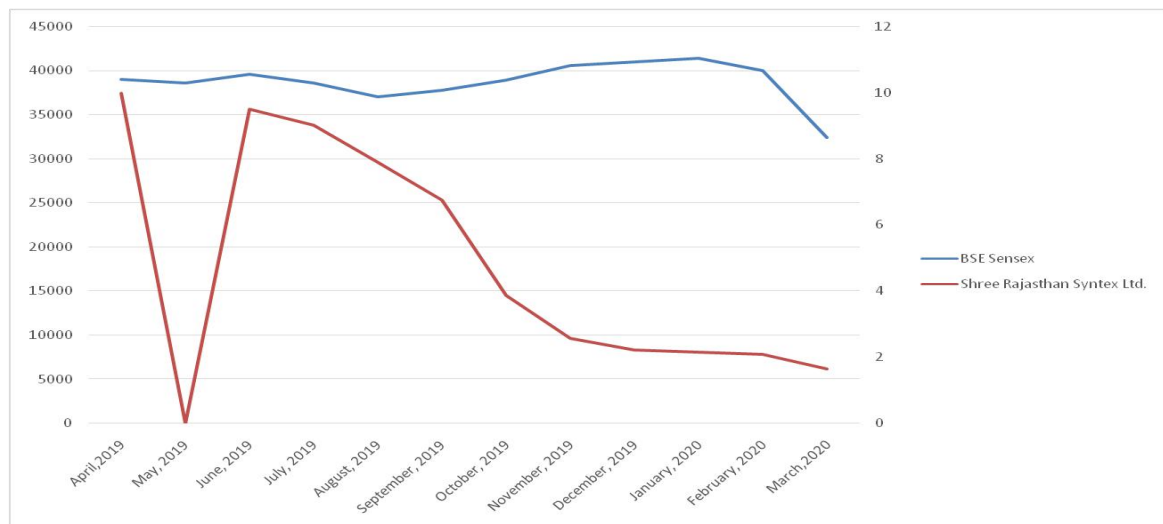
the Company to NSDL and CDSL on
receipt of the invoices.

e. Stock Code : 503837 with BSE Ltd.

f. Market price data and Performance in comparison to broad based indices :

Month	Shree Rajasthan Syntex Ltd.		BSE Sensex	
	High (Rs.)	Low(Rs.)	High (Rs.)	Low(Rs.)
April, 2019	9.99	9.99	39,487.45	38,460.25
May, 2019	-	-	40,124.96	36,956.10
June, 2019	9.50	9.50	40,312.07	38,870.96
July, 2019	9.03	9.03	40,032.41	37,128.26
August, 2019	8.58	7.22	37,807.55	36,102.35
September, 2019	8.60	4.90	39,441.12	35,987.80
October, 2019	4.91	2.84	40,392.22	37,415.83
November, 2019	2.79	2.37	41,163.79	40,014.23
December, 2019	2.33	2.13	41,809.96	40,135.37
January, 2020	2.24	2.08	42,273.87	40,476.55
February, 2020	2.28	1.90	41,709.30	38,219.97
March, 2020	1.90	1.42	39,083.17	25,638.90

PERFORMANCE IN COMPARIISON TO BROAD BASED INDICES



g. Registrar to an issue and share : M/s. MAS Services Limited,

transfer agents T-34, 2nd Floor, Okhla Industrial Area, Phase- II, New
Delhi - 110 020,
Phone: 26387281/82/83 Fax: 26387384
mail: info@masserv.com
website: www.masserv.com

h. Share Transfer System :

SEBI has mandated that, effective April 1, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. The communication, inter alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. During the year, the Company had obtained, on half-yearly basis, a certificate, from a Company Secretary in Practice, certifying that all certificates have been issued within thirty days of the date of lodgement of the transfer (for cases lodged prior to April 1, 2019), sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and filed a copy of the said certificate with the Stock Exchanges. Trading in equity shares of the Company is permitted only in dematerialised form.

i. Distribution of Shareholding

Shareholding pattern by size :

Shareholding of Nominal value (Rs.)	No. of shareholders	Shareholders (%)	Total No. of shares	% of share holding
1 - 5,000	6735	87.275	9,46,933	6.911
5,001 - 10,000	439	5.689	3,45,251	2.520
10,001 - 20,000	205	2.656	3,04,689	2.224
20,001 - 30,000	74	0.959	1,86,320	1.360
30,001 - 40,000	58	0.752	2,05,568	1.500
40,001 - 50,000	28	0.363	1,32,284	0.965
50,001 - 1,00,000	74	0.959	5,19,742	3.793
1,00,001 & above	104	1.348	1,10,61,514	80.727
Total	7717	100.00	1,37,02,301	100.00

Shareholding pattern by ownership :

Shareholders	No. of shares held	% of total shares held
Promoter and Promoter group	64,95,211	47.40
Foreign Institutional Investors	100	0.00
Mutual Funds /UTI	2,984	0.02
Banks	50	0.00

Corporate Bodies	13,31,312	9.72
Non -Resident Indian / OCB's	1,10,178	0.80
Public	57,62,466	42.06
Total	1,37,02,301	100.00

Shareholding Pattern Category wise :

Category	Number of shareholders	Shareholders (%)	Number of shares held	Shareholding (%)
Electronic	4,174	53.81	1,27,88,503	93.33
Physical	3,583	46.19	9,01,798	6.67
Total	7757	100.00	1,37,02,301	100.00
Note: 40 holders are common in demat and physical				

j. Dematerialization of Shares and Liquidity : As on March 31, 2020, 93.33% of the Company's equity shares have been dematerialized. The Company has entered into an agreement with both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) whereby shareholders have the option to dematerialize their shares with the Depositories. *International Securities Identification Number (ISIN) of the Company is INE796C01011.*

k. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity : NIL

l. Disclosures of commodity price risks or foreign exchange risk and commodity hedging activities : The Company is an exporter and has natural hedging for its foreign currency exposures and the Company has zero defaults in repaying any of the foreign currency borrowings.

m. Plant Locations

i) Shree Rajasthan Syntex Ltd., Village - Udaipura, Simalwara Road, Dungarpur - 314 001 (Raj.) Tel: 02964 - 302400 Fax: 02964 - 302500

ii) Shree Rajasthan Polycot (A Div. of Shree Rajasthan Syntex Ltd.), Simalwara Road Dungarpur-314001 (Raj.) Tel: 02964 -302400 Fax: 02964- 302503

iii) Shree Rajasthan Texchem (A Div. of Shree Rajasthan Syntex Ltd.), Village - Patapura, Simalwara Road Dungarpur - 314 001 (Raj.) Tel: 02964 - 302400, Fax: 02964- 302502

n. Address for correspondence

'SRSL House', Pulla Bhuwana Road, N.H. No. 8, Udaipur -313 004 (Rajasthan)

o. Credit Ratings

Company is rated by CARE Rating Limited as under:-

1. Long-term Bank Facilities : CARE D (Single D)
2. Short-term Bank Facilities : CARE D (Single D)
3. Fixed Deposits : CARE D (FD) [Single D (Fixed Deposit)]

10. Governance and Compliance

1. Insider Trading / Formulation and Adoption of Code of Fair disclosures and Code of Conduct Related to Insider Trading of Shares as per SEBI (Prohibition of Insider Trading) Regulations, 2015

The Company adheres to the SEBI (Prohibition of Insider Trading) Regulations 2015 to prevent insider trading in the shares of the Company. Accordingly, the company has already formulated and adopted the following codes:-

01. Code of Practices And Procedures For Fair Disclosure of Unpublished Price Sensitive Information.

02. Code Of Conduct To Regulate, Monitor And Report Trading By its Employees and Other Connected Persons towards achieving compliance with regulations.

During the year, the Company has amended the aforesaid Codes as and when required.

2. Compliance Officer and Role of Company Secretary in overall Governance process

The Company Secretary plays a key role in ensuring that the Board (including the committees thereof) procedures are followed and regularly reviewed. Ms Ravina Soni (upto 27th December, 2019 and Mrs. Devanshi Uday Shah w.e.f 4th January, 2020, Company Secretary and Compliance Officer, has been designated by the Board as the Compliance Officer for complying with requirements of the Companies Act 2013 and Rules made there under and Listing Regulations. As per the requirement of the Act, she is also a part of Key Managerial Personnel.

3. Risk Management

The Company has a well defined risk management framework in place. Under this framework, the management identifies and monitors business risks on continuous basis and initiated appropriate risk mitigation steps as and when deemed necessary. The Company has established plans and procedures to periodically place before the Board, risk assessment and minimization procedures being followed by the Company and the steps taken to mitigate those risks through this framework. Given below is the Risk Management Plan:-

The risk management plan comprised of the following 5 steps :

- i. Identification of risk
- ii. Defining the risk in detail
- iii. Analyzing the risk
- iv. Evaluating various aspects linked to the risk
- v. Treatment of risk

4. BSE Corporate Compliance and Listing Centre (The Listing Centre)

BSE's Listing Centre is a web based application designed for corporate. All periodical compliances filings like shareholding pattern, corporate governance report, among others are also filed electronically on the Listing Centre.

5. SEBI Complaints Redressal System (SCORES)

The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

11. Other Disclosures

a) **Disclosure on materially significant related party transactions that may have potential conflict with the interests of Company at large.**

None of the RPT have potential conflict with the interests of Company at large. Further, the details of Related Party Transactions are provided in form AOC-2 attached under the head of Board's Report as **Annexure-3**. The Related Party Transaction Policy is also available at the website of the Company at the link <http://www.srsl.in/documents/RPT-POLICY.pdf>

b) Details of non-compliance by the Company, penalties and strictures imposed on the company by Stock Exchange(s) or the SEBI, or any statutory authority, on any matter related to capital markets, during last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchanges or the SEBI or any statutory authority.

c) Whistle Blower Policy / Vigil Mechanism

Pursuant to Section 177 (9) and (10) of the Act and as per Listing Regulations, the Vigil Mechanism / Whistle Blower Policy was formulated to provide an opportunity to employees and an avenue to raise concerns about the unethical behavior actual or suspected fraud or violation of the Company's code or ethics policy and to access in good faith the Audit Committee, to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in the Company, to provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse action against those employees.

The Vigil Mechanism / Whistle Blower Policy and any matters arising towards such policy shall be overseen by the Audit Committee on the basis of the following details;

- a) Internal Policy and Protection under Policy.
- b) Safeguards against Harassment or Victimization:
- c) False Allegation and Legitimate Employment Action.
- d) Disclosure to the Head of Department/Audit Committee
- e) Accountability - Head of Department/ Managing Director/Audit Committee.
- f) Procedure of vigil mechanism.

The Whistle Blower Policy of the Company is also available on the website of the Company at the link <http://www.srsl.in/documents/WHISTLE-BLOWER-POLICY.pdf>

During the year, no whistle blower event was reported and mechanism is functioning well. Further, no personnel has been denied access to the Audit Committee.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Listing Regulations.

The Company complies with all the requirements of the Listing Regulations. Your Company has complied with the mandatory requirements and has ensured the implementation of non-mandatory items such as:-

- ❖ Separate person to the post of Chairman, and CEO and MD.
- ❖ Unmodified audit opinions / reporting.

e) Total fees for all services paid by the company to the Statutory Auditor and all the entities in the network firm/network entity of which statutory auditor is a part.

The details of total fees for all the services paid by the company to the Statutory Auditor are provided in Notes to the Financial Statements. Please refer note 38 to the Financial Statement.

12. Declarations

1. A certificate from M/s. V. M. & Associates, Company Secretaries, Jaipur stating that none of the directors on the board of the company have been debarred from being appointed or continue as directors of the Companies by SEBI / Ministry of Corporate Affairs or any such statutory authority forms part of report on Corporate Governance.

2. Compliance Certificate taken from M/s. Doogar & Associates, Statutory Auditor, New Delhi, regarding compliance of conditions of Corporate Governance forms part of report on Corporate Governance.

3. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations : The Company has complied with all the requirements in this regard, to the extent applicable.

4. The Company is in compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

Declaration affirming compliance with Code Of Conduct

I hereby confirm and declare that all the Board members, Key Managerial Personnel and Senior Management Personnel have individually affirmed compliance with the Code of Conduct adopted by the Company for the financial year ended March 31, 2020.

Place: Udaipur
Date: June 29, 2020

Sd/-
Vikas Ladia
(Chief Executive Officer)
DIN (00256289)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members,
Shree Rajasthan Syntex Ltd.
SRSL House Pulla Bhuwana Road N.H. 8
Udaipur - 313004 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shree Rajasthan Syntex Ltd** having CIN: **L24302RJ1979PLC001948** and having registered office at **SRSL House Pulla Bhuwana Road N.H. 8, Udaipur - 313004 (Rajasthan)** (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN
1.	Sunil Goyal	00110601
2.	Narendra Nath Agrawala	00168211
3.	Vinod Kumar Ladia	00168257
4.	Anubhav Ladia	00168312
5.	Vikas Ladia	00256289
6.	Neelima Khetan	05113000

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Jaipur
Date: August 24, 2020
UDIN: F003355B000607959

For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)

Sd/-
CS Manoj Maheshwari
Partner
Membership No.: FCS 3355
C P No.: 1971

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED)

To the Members of
Shree Rajasthan Syntex Ltd.

1. The Corporate Governance Report prepared by Shree Rajasthan Syntex Ltd. ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2020. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

Other Matters and Restriction on Use

10. This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

For Doogar & Associates

Chartered Accountants

Firm's Registration No. 000561N

Sd/-

Vardhman Doogar

Partner

Membership No. 517347

UDIN: 20517347AAAAJP5818

Dated: August 24, 2020

Place: New Delhi

Independent Auditors' Report

**To The Members of
Shree Rajasthan Syntex Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Shree Rajasthan Syntex Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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 "the 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, the loss and total comprehensive loss, 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note no. 41 to the financial statements, in respect of preparation of financial statements of the Company on going concern. The Company has incurred losses and as current liabilities exceed current assets. Further the Company has defaulted in repayment of borrowings from the lenders and submitted a resolution plan to the consortium lenders for the revival of its business and restructuring the repayment of borrowings. However, Company has accounted interest liability as per restructuring plan in process since April 2017, classified the term loan in current and non-current liability accordingly. If the restructuring plan is not implemented, there will be interest liability of Rs.10.56 Crores, in addition to already provided in books of account. In view of the management's expectations of the successful outcome in future years, the financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

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 for the financial year ended March 31, 2020. 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. In addition to the matter described in the "Material Uncertainty Related to Going Concern" section, we have determined the matters described below to be the

key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
Litigation, claims and other contingencies (as described in note 39 of the financial statements)	
<p>As indicated in Note 39, the Company is involved in various litigations and claims including court and arbitration proceedings.</p> <p>This risk of litigations and claims would have a significant financial impact if the potential exposures were to materialize.</p> <p>The amounts of claims may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant management judgement.</p> <p>This matter has been determined to be a key matter, since the aforementioned cases requires significant judgements by management, including that obtained from its legal advisors.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of identification process relating to litigations and claims and contingent liabilities and evaluated the design and tested the operating effectiveness of controls in respect of process • Assessed the progress of all significant contingencies, consideration of any evidence of legal disputes. • Evaluated management's assessment of the likely outcome and potential exposures arising from significant contingencies subject to ongoing court and arbitration proceedings and considered the requirements for any provision. • Inquired with both legal and finance personnel in respect of ongoing litigations or claims proceedings, inspected relevant correspondence and requested a confirmation letter from the Company's in-house legal counsel. Also, obtained legal confirmation letters on sample basis from external legal counsels.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), 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 Company's management is responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matter

Due to the COVID-19 related lockdown, we were unable to observe the management's year end physical verification of inventory, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for selected items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these financial statements.

Our report on the Statement is not modified in respect of the above matter.

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 Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act;
- f. The going concern matter described in the “Material Uncertainty Related to Going Concern” Section above, in our opinion, may have an adverse effect on the functioning of the Company.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197 of the act, as amended. In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- i. 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 statements - Refer Note 39 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Doogar & Associates

Chartered Accountants
Firm Registration No.
000561N

Sd/-

Vardhman Doogar

Partner
Membership No. 517347
UDIN: 20517347AAAAHR9247

Place: New Delhi

Date: June 29, 2020

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Shree Rajasthan Syntex Limited of even date)

- i. In respect of the Company's fixed assets: -
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- iii. According to the information and explanations given to us, the Company had granted unsecured loans to a body corporate, covered in the register maintained under Section 189 of the Companies Act, 2013, in respect of which:
 - a. The terms and conditions of the grant of such loan are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - b. The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amount have been regular as per stipulations but default in payment of interest;
 - c. There is an overdue interest amount of Rs. 5.77 Lakhs receivable as at the year-end.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues have been deposited after due dates with the appropriate authorities.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales Tax, Goods and Services Tax, Duty of Custom, Duty of

Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they become payable.

- c. Details of the dues of Income Tax, Duty of Custom, Duty of excise, goods & service tax and Value Added Tax which have not been deposited (along with amount deposited under protest) by the Company on account of any dispute are given below–

Sl. No.	Name of the Statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates (F.Y.)	Amount (Rs. In lakhs)	
					Gross	Deposited under protest
1	Rajasthan Stamp Act	Stamp Duty	Tax Board, Ajmer	2012-13	2.70	0.90
2	Rajasthan Tax into entry of goods into local area Act,1999	Entry tax and interest	High Court	2001-02 to 2005-06	252.32	252.32
3	Rajasthan Tax into entry of goods into local area Act,1999	Entry tax and interest	High Court	2006-07 to 2014-15	231.06	231.06
4	Central Excise Act 1994	Excise Duty and Custom Duty	Dy Commissioner / Asst. Commissioner	1997 & onwards	24.47	1.34
5	Central Excise Act 1994	Excise Duty and Custom Duty	Commissioner Appeals	1994-95 & 1995-96	6.10	-
6	Service Tax	Service Tax	Dy Commissioner / Asst. Commissioner	1998-99 to 1999-2000	9.96	10.88
7	Service Tax	Service Tax	Commissioner Appeals	2007 & onwards	4.17	4.17
8	Service Tax	Service Tax	CESTAT	2007 & onwards	3.21	3.2
9	Rajasthan Value Added Tax 2003	Value added tax with RIPS	High Court	2007-08 to 2011-12	373.31	72.54
10	Rajasthan Value Added Tax 2003	Value added tax with RIPS	DC (A)	2012-13 to 2015-16	550.43	-

- viii. The Company has made default in repayment of its bank loans and interest due thereon. There were overdue loans amounting to Rs 451.42 Lakhs and further interest amount of Rs. 2854.43 Lakhs on balance sheet date as per revised sanction letters but the implementation of the package is under process.

Name of Lender	Instalment	Interest	Period
IDBI	95.76	230.25	June18- March 20
BOB	225.00	983.52	April 17 - March 20

SBI	130.66	1640.66	June17- March 20
Total	451.42	2854.43	

- ix. On the basis of information and explanation given to us, term loans have been applied for the purposes for which they were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), during the current year.
- x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the CARO 2016 is not applicable
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 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 be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Doogar & Associates
Chartered Accountants
Firm Registration No.
000561N

Sd/-

Vardhman Doogar
Partner
Membership No. 517347

UDIN: 20517347AAAAHR9247

Place: New Delhi
Date: June 29, 2020

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Shree Rajasthan Syntex Limited of even date)

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

We have audited the internal financial controls over financial reporting of Shree Rajasthan Syntex Limited as of 31 March, 2020 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 Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 ("the Guidance Note"). 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements 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 over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of such 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 with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to Financial Statements

A company's internal financial controls over financial reporting with reference to financial statements are 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 controls over financial reporting with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Doogar & Associates
Chartered Accountants
Firm Registration No.
000561N

Sd/-

Vardhman Doogar
Partner
Membership No. 517347

UDIN: 20517347AAAAHR9247

Place: New Delhi
Date: June 29, 2020

(Rs. in Lakhs)			
	Note No.	As at March 31, 2020	As at March 31, 2019
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	7,247.01	7,709.07
(b) Right of use asset	5	12.80	-
(c) Intangible assets	4	0.23	0.46
(d) Financial assets			
(i) Loans	6	59.98	72.98
(ii) Other financial assets	7	114.99	156.25
(e) Deferred tax assets (net)	8	441.60	485.20
(f) Other non-current assets	9	1,360.98	1,405.61
Total non-current assets		9,237.59	9,829.57
Current Assets			
(a) Inventories	10	492.06	1,064.87
(b) Financial Assets			
(i) Trade receivables	11	117.48	297.34
(ii) Cash and cash equivalents	12	15.24	1,329.53
(iii) Bank balances other than (ii) above	13	1,424.89	84.23
(iv) Loans	14	18.77	5.77
(v) Other financial assets	15	-	1.56
(c) Other current assets	16	3,883.66	4,053.97
(d) Current tax assets	17	61.01	35.29
Total current assets		6,013.11	6,872.56
TOTAL ASSETS		15,250.70	16,702.13
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	1,370.23	1,370.23
(b) Other equity	19	(2,432.70)	(349.77)
Total Equity		(1,062.47)	1,020.46
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	3,777.16	4,236.82
(ii) Lease Liability	21	3.36	-
(iii) Other financial liabilities	22	151.26	166.88
(b) Provisions	23	132.50	249.77
Total Non-current liabilities		4,064.28	4,653.47
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	24	5,239.57	4,497.46
(ii) Trade payables	25		
- Due to micro enterprises and small enterprises		22.11	35.61
- Due to creditors other than micro enterprises and small enterprises		2,694.43	3,879.98
(iii) Lease Liability	26	10.33	-
(iv) Other financial liabilities	27	4,094.31	2,288.42
(b) Provisions	28	107.53	159.77
(d) Other current liabilities	29	80.61	166.96
Total Current liabilities		12,248.89	11,028.20
Total Liabilities		16,313.17	15,681.67
TOTAL EQUITY AND LIABILITIES		15,250.70	16,702.13

See accompanying notes to the financial statements 1 to 51

As per our report of even date

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

For and on behalf of the Board of Directors of
Shree Rajasthan Syntex Limited

Vardhman Doogar
Partner
M. No 517347

Vikas Ladia
Managing Director & CEO
DIN: 00256289

Anubhav Ladia
Whole Time Director
DIN: 00168312

Place : New Delhi
Dated: June 29, 2020

Narendra Nath Agrawala
Independent Director
DIN: 00168211

Vinay Punjawat
Chief Financial Officer

Devanshi Uday Shah
Company Secretary

Place : Udaipur
Dated : June 29, 2020

Shree Rajasthan Syntex Limited
Statement of Profit and Loss for the year ended March 31, 2020
CIN:- L24302RJ1979PLC001948

(Rs. in Lakhs)			
Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I. Revenue from operations	30	6,932.69	17,199.83
II. Other income	31	163.91	201.50
III Total Income (I+II)		7,096.60	17,401.33
IV Expenses :			
Cost of material consumed	32	3,267.13	10,614.22
Purchases of stock-in-trade	33	7.76	-
Changes in inventories of finished goods, work-in-progress and stock-	34	453.91	1,267.57
Employee benefit expenses	35	1,280.41	2,186.90
Finance costs	36	1,474.10	1,592.67
Depreciation and amortisation expense	37	441.31	448.54
Other expenses	38	2,329.61	4,347.04
Total expenses (IV)		9,254.23	20,456.94
V Profit/(Loss) before exceptional items and tax (III-IV)		(2,157.63)	(3,055.61)
VI Exceptional items (gain)		-	1,096.11
VII Profit/(Loss) before tax (V+VI)		(2,157.63)	(1,959.50)
VIII Tax expense:			
Current tax		-	-
Deferred tax		12.84	(269.94)
Tax adjustment of earlier years		-	83.20
Total tax expenses (VIII)		12.84	(186.74)
IX Profit for the year (VII-VIII)		(2,170.47)	(1,772.76)
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(loss) on defined benefit plans		118.30	52.50
Income tax expense relating to items that will not be reclassified to profit or loss		(30.76)	(16.38)
Total Other Comprehensive Income (X)		87.54	36.12
XI Total Comprehensive Income for the year (IX+X)		(2,082.93)	(1,736.64)
XII Earnings per equity share of Rs. 10 each	39		
- Basic		(15.84)	(12.94)
- Diluted		(15.84)	(12.94)

See accompanying notes to the financial statements
 1 to 51

As per our report of even date

For **Doogar & Associates**
 Chartered Accountants
 Firm's registration No. 000561N

For and on behalf of the Board of Directors of
Shree Rajasthan Syntex Limited

Vardhman Doogar
 Partner
 M. No 517347

Vikas Ladia
 Managing Director & CEO
 DIN: 00256289

Anubhav Ladia
 Whole Time Director
 DIN: 00168312

Place: New Delhi
Dated: June 29 , 2020

Narendra Nath Agrawala
 Independent Director
 DIN: 00168211

Vinay Punjawat
 Chief Financial Officer

Devanshi Uday Shah
 Company Secretary

Place : Udaipur
Dated : June 29, 2020

Shree Rajasthan Syntex Limited
Statement of Cash flows for the year ended 31st March, 2020
CIN:- L24302RJ1979PLC001948

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from operating activities		
Net profit before tax	(2,157.63)	(1,959.50)
Adjustments for Depreciation	441.31	448.54
Sundry balances / Excess Liabilities written back	(55.20)	12.78
Unrealised Foreign Exchange Fluctuation (Net) (Gain)/Loss	3.47	13.33
Allowances for expected credit loss	64.31	53.68
Bad Debts	-	2.91
Interest Expense	1,423.40	1,501.15
Loss/(Profit) on sale of fixed assets	15.00	(1,095.68)
Interest Income	(87.19)	(148.24)
Operating profit before working capital changes	(352.53)	(1,171.03)
Adjustments for:-		
Inventories	572.81	1,528.02
Trade Receivables	231.60	663.97
Other financial assets	41.26	(30.79)
Other non-financial assets	150.63	446.01
Trade payables	(1,199.04)	(193.29)
Other financial liabilities	54.16	(257.47)
Other non-financial liabilities	(86.35)	98.75
Non Current & Current Provisions	(51.21)	15.08
Cash generated from operations	(638.67)	1,099.25
Income tax paid	(25.72)	(9.40)
Net cash inflow/(outflow) from operating activities	(664.39)	1,089.85
B. Cash flow from investing activities		
Purchase of property, plant & equipment	(1.72)	(6.66)
Sale proceeds of fixed assets	17.36	1,227.30
Sale proceeds of investments	-	0.10
Interest Received	88.76	149.39
Net cash inflow / (outflow) from investing activities	104.40	1,370.13
C. Cash inflow/(outflow) from financing activities		
Increase /(Decrease) in Long-Term Borrowings	22.78	(16.06)
Increase /(Decrease) in Short-Term Borrowings	742.11	(472.36)
Payment of lease liability	(10.73)	-
Interest paid	(167.80)	(669.80)
Net cash inflow / (outflow) used in financing activities	586.36	(1,158.21)
Net changes in cash and cash equivalents	26.37	1,301.77
Opening Cash and cash equivalents	1,413.76	111.99
Closing Cash and cash equivalents	1,440.13	1,413.76

Note:

- (i) Statement of cash flows has been prepared using Indirect method in accordance with Ind AS-7
(ii) Refer note no. 12 and 13 for components of cash and cash equivalents

See accompanying notes to the financial statements **1 to 51**

As per our report of even date attached

For Doogar & Associates
Chartered Accountants
Firm's registration No. 000561N

**For and on behalf of the Board of Directors of
Shree Rajasthan Syntex Limited**

Vardhman Doogar
Partner
M. No 517347

Vikas Ladia
Managing Director & CEO
DIN: 00256289

Anubhav Ladia
Whole Time Director
DIN: 00168312

Place: New Delhi
Dated: June 29, 2020

Narendra Nath Agrawala
Independent Director
DIN: 00168211

Vinay Punjawat **Devanshi Uday Shah**
Chief Financial Officer Company Secretary

Place : Udaipur
Dated : June 29, 2020

Shree Rajasthan Syntex Limited
Statement of changes in equity for the year ended March 31, 2020
CIN:- L24302RJ1979PLC001948

A. Equity Share Capital

(Rs. in Lakhs)				
Balance as at April 1, 2018	Movement during the year 2018-19	Balance as at March 31, 2019	Movement during the year 2019-20	Balance as at March 31, 2020
1,370.23	-	1,370.23	-	1,370.23

B. Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	General Reserve	Capital Redemption Reserve	Share Premium	Securities Premium	Retained Earnings	Re-measurement of the net defined benefit plans	
Balance as at 1st April, 2018	177.12	500.00	1,998.42	718.82	(2,063.63)	56.14	1,386.87
Profit for the year	-	-	-	-	(1,772.76)	-	(1,772.76)
Other comprehensive income (loss) for the year (net of income tax)	-	-	-	-	-	36.12	36.12
Balance as at March 31, 2019	177.12	500.00	1,998.42	718.82	(3,836.39)	92.26	(349.77)
Profit for the year	-	-	-	-	(2,170.47)	-	(2,170.47)
Other comprehensive income (loss) for the year (net of income tax)	-	-	-	-	-	87.54	87.54
Balance as at March 31, 2020	177.12	500.00	1,998.42	718.82	(6,006.86)	179.80	(2,432.70)

See accompanying notes to the financial statements 1 to 51

As per our report of even date

For Doogar & Associates
Chartered Accountants
Firm's registration No. 000561N

For and on behalf of the Board of Directors of
Shree Rajasthan Syntex Limited

Vardhman Doogar
Partner
M. No 517347

Vikas Ladia
Managing Director & CEO
DIN: 00256289

Anubhav Ladia
Whole Time Director
DIN: 00168312

Place : New Delhi
Dated : June 29, 2020

Narendra Nath Agrawala
Independent Director
DIN: 00168211

Vinay Punjawat
Chief Financial Officer

Devanshi Uday Shah
Company Secretary

Place : Udaipur
Dated : June 29, 2020

Notes forming part of the financial statements for the year ended March 31, 2020

Note – 1 – Company overview

Shree Rajasthan Syntex Limited ("The Company") was incorporated on November 15, 1979. We at SRSL have served the Textile Raw Material chain for several years. This has been possible due to our fair and ethical business practices and contribution of all members of staff and workers of the company. Using best available manufacturing practices and technology from our machinery partners, we have always aimed at delivering "Efficient Solutions" to our customers.

Note – 2 – Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost conversion on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and relevant amendments rules issued thereafter.

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

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the company.

2.1 Summary of significant accounting policies

a. Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is inclusive of excise duty and net of returns, discounts and exclusive of Goods and Services Tax.

The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

(i) Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

The performance obligation in case of sales of goods is satisfied at a point in time i.e. Revenue from export sales is recognized on the basis of bill of landing while Domestic sales is recognized on the basis of ex-factory dispatch as may be specified in the contract.

(ii) Export Incentives

Export benefits/incentives are accounted for on accrual basis.

(iii) Insurance and Other Claims

In accordance with the consistent practice, insurance and other claims, to the extent considered recoverable, are accounted for in the year relevant to claim while the balance is accounted for on settlement.

b. Employee benefits**(i) Short term Employee Benefits**

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

(ii) Post Employment Benefits**(a) Defined Contribution Plans****Provident Fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(b) Defined benefit plans**Gratuity**

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried at the year end using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- (a) The date of the plan amendment or curtailment, and
- (b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absences

Benefits under the Company's leave encashment constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year-end using the Projected Unit Credit Method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

c. Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and others non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Cotton Yarn Unit (Polycot Yarn Division) is stated at cost without availing CENVAT, and Thermal Power Plant is stated without availing Service CENVAT. All costs including financing costs till commencement of commercial production and adjustment arising from exchange rate variations relating to borrowings attributable to the Property, plant and equipment are capitalized.

Property, plant and equipment under construction are disclosed as capital work in progress.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Gains or losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

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

d. Intangible assets

Intangible asset represents computer software acquired by the Company carried at cost of acquisition less amortisation. The cost of an item of intangible asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss, unless such expenditure forms part of the carrying value of another asset.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangibles recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangibles.

e. Depreciation and amortisation expenses

Depreciation on Property, plant and equipment is provided on the straight-line method, as per useful life prescribed in Schedule II to the Companies Act, 2013. Further for amortisation of intangible assets useful life is 3 years to 5 years.

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has aligned the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act.

Assets costing Rs.5000/- or less acquired on or after 1.7.1993 are fully depreciated.

The company provides for depreciation on following plant & machinery considering the same as continuous process plant.

(i) Filament Yarn Division, Spun Yarn Division and Cotton Yarn Division

(ii) Power Generation Equipments

Freehold land and leasehold land are not depreciated.

Depreciation on additions is provided on a pro-rata basis from the date of acquisition/installation. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale/adjustment, as the case may be.

f. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories includes all costs incurred in bringing the inventories to their present location and condition. Cost of inventories has been determined as under:

Raw Material	At Batch cost
Work in progress	a) Preparatory stage - at cost b) Yarn stage - at cost or net realisable value, whichever is lower
Finished Goods	At cost or net realizable value whichever is lower.
Traded stock	At Cost of purchase or net realizable value whichever is lower.
Stores and Spares	At First In First Out method.
Waste and scrap	At Net realisable value
Fuel	Monthly moving weighted average

g. Borrowing costs

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

h. Leases

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount.

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

i. Income taxes

Income tax expense represents the sum of current and deferred tax (including MAT). Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet approach. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

j. Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value.

k. Foreign Currency Transactions

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupee.

In preparing the financial statements, transaction in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit & loss of the period.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency is translated

using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognised in profit or loss in the period in which they arise. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

1. 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) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

(ii) Subsequent measurement

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

m. Impairment of assets

(i) Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in

which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Statement of Profit or Loss.

(ii) Non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date in accordance with Ind AS 36 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

n. Cash and cash equivalents

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

o. Provisions and Contingencies

A provision is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources in respect of which a reliable estimate can be made. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised.

p. Recent Accounting Pronouncements

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

2.2. Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Contingent Liabilities:

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and constructive claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and

potential quantum of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events

b) Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the company.

c) Taxes:

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

d) Defined benefit plans:

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

3 Property, plant and equipment

(Rs. in Lakhs)													
Particulars	Leasehold Land	Freehold Land	Building	Tube Well	Plant and Machinery	Electric Installation	Water Supply Installations	Material Handling Equipment	Air Conditioner	Furniture and Fixtures	Office Equipment	Vehicles	Total
Gross carrying amount													
As at April 1, 2018	13.76	23.88	2,856.12	9.31	17,597.35	1,026.40	94.77	25.64	18.69	173.11	96.76	77.82	22,013.61
Additions	-	-	-	0.56	0.29	-	-	-	0.97	3.59	1.25	-	6.66
Disposal/Adjustments	-	20.59	304.29	0.18	26.53	18.50	-	-	-	0.58	0.19	6.63	377.49
As at March 31, 2019	13.76	3.29	2,551.83	9.69	17,571.11	1,007.90	94.77	25.64	19.66	176.12	97.82	71.19	21,642.78
Additions	-	-	-	-	-	1.04	-	-	-	0.30	0.38	-	1.72
Disposal/Adjustments	-	-	-	-	239.35	-	-	-	-	1.06	-	0.24	240.65
As at March 31 , 2020	13.76	3.29	2,551.83	9.69	17,331.76	1,008.94	94.77	25.64	19.66	175.36	98.20	70.95	21,403.85
Accumulated Depreciation													
As at April 1, 2018	-	-	1,332.63	8.51	11,230.69	796.73	36.24	19.40	15.83	149.88	87.12	54.24	13,731.27
Depreciation for the year	-	-	126.23	0.14	288.25	18.94	3.58	0.37	0.76	2.84	2.54	4.67	448.32
Disposal/reversal	-	-	197.73	0.17	24.83	16.31	-	-	-	0.54	0.11	6.19	245.88
As at March 31, 2019	-	-	1,261.13	8.48	11,494.11	799.36	39.82	19.77	16.59	152.18	89.55	52.72	13,933.71
Depreciation for the year	-	-	64.65	0.20	340.84	11.46	3.58	0.37	0.60	2.98	2.04	4.70	431.42
Disposal/reversal	-	-	-	-	207.12	-	-	-	-	0.94	-	0.23	208.29
As at March 31 , 2020	-	-	1,325.78	8.68	11,627.83	810.82	43.40	20.14	17.19	154.22	91.59	57.19	14,156.84
Net Carrying amount													
As at March 31 , 2019	13.76	3.29	1,290.70	1.21	6,077.00	208.54	54.95	5.87	3.07	23.94	8.27	18.47	7,709.07
As at March 31, 2020	13.76	3.29	1,226.05	1.01	5,703.93	198.12	51.37	5.50	2.47	21.14	6.61	13.76	7,247.01

4 Intangible assets

(Rs. in Lakhs)	
Particulars	Computer Softwares
Gross carrying amount	
As at April 1, 2018	1.06
Additions	-
Disposal/Adjustments	-
As at March 31, 2019	1.06
Additions	-
Disposal/Adjustments	-
As at March 31, 2020	1.06
<u>Accumulated amortisation</u>	
As at April 1, 2018	0.38
Amortisation during the year	0.22
Disposal/Adjustments	-
As at March 31, 2019	0.60
Amortisation during the year	0.23
Disposal/Adjustments	-
As at March 31, 2020	0.83
<u>Net Carrying amount</u>	
As at March 31, 2019	0.46
As at March 31, 2020	0.23

5 Right of use asset

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	-	-
Right of asset booked during the year	22.46	
Amortisation during the year	9.66	-
Closing Balance	12.80	-

6 Loans

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets at amortized cost Unsecured considered good Loans & advances to related parties (SRSL Employees Welfare Trust)	59.98	72.98
Total	59.98	72.98

7 Other non-current financial assets

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets at amortized cost Unsecured, considered good Security deposits	114.99	156.25
Total	114.99	156.25

8 Deferred tax assets (net) #

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	1,860.23	2,232.26
Deferred tax liability	(1,642.80)	(1,971.23)
MAT Credit entitlement	224.17	224.17
Total	441.60	485.20

Refer note no.44

9 Other non-current assets

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Non financial assets at amortized cost Unsecured, considered good Prepaid expenses Claims and exports incentives receivables	10.99 1,349.99 1,360.98	11.44 1,394.17 1,405.61
Unsecured considered doubtful Claims and exports incentives receivables Less: Allowances for expected credit loss	122.98 (122.98) -	58.67 (58.67) -
Total	1,360.98	1,405.61

10 Inventories
(at cost or net relisable value, whichever is lower)

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials		
- Man made fibre	93.40	171.69
- Fibre Stock in Deptt.	6.03	17.99
- Stock in transit	5.97	16.07
Work-in-progress	124.47	197.13
Finished Goods	106.85	478.99
Stock-in-trade	2.19	2.19
Stores and spares	142.29	169.21
- Stock in transit	1.85	5.44
Others		
- Waste & Scrap	9.01	6.16
Total	492.06	1,064.87

11 Trade receivables

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables Considered good - secured	-	-
Trade receivables Considered good - unsecured	117.48	297.34
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	-
	117.48	297.34
Less: Allowance for impairment loss	-	-
Total	117.48	297.34

12 Cash & cash equivalents

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	3.88	5.59
Cheques, drafts on hand	0.25	0.35
Balances with banks		
- In current accounts #	11.11	1,301.80
- In deposit accounts with maturity less than three months	-	21.79
Total	15.24	1,329.53

In previous year Rs. 1,300 Lakhs lying with IDBI Bank (Lien account).

13 Bank balances other than cash and cash equivalents

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Bank deposit (maturity above 3 and upto12 months) #	1,424.89	84.23
Total	1,424.89	84.23

In current year Rs. 1,385.66 Lakhs lying with IDBI Bank as Lien (PY - Nil).
In current year Rs. 33.45 Lakhs lying with SBI Bank as margin money (PY - 33.45 Lakhs)

14 Loans

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets at amortized cost Unsecured considered good Loans & advances to related parties (SRSL Employees Welfare Trust)	18.77	5.77
Total	18.77	5.77

15 Other current financial assets

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets at amortized cost Unsecured considered good Interest accrued but not due	-	1.56
Total	-	1.56

16 Other current assets

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured considered good Advances to suppliers Other advance recoverable in cash or kind Balance with government authorities Interest Subsidy Recoverable (TUFS) Claims and exports incentives receivables Others	62.30 85.82 398.34 293.91 2,959.31 83.98	50.99 71.17 549.04 293.91 3,012.36 76.50
Total	3,883.66	4,053.97

17 Current tax assets (net)

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Advance taxes including TDS receivable (net of provision for tax)	61.01	35.29
Total	61.01	35.29

18 Equity share capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	(Rs. in Lakhs)	No. of shares	(Rs. in Lakhs)
Authorised				
Equity shares of Rs. 10 each	2,60,00,000	2,600.00	2,60,00,000	2,600.00
11% non convertible cumulative redeemable preference shares of Rs. 100 each. #	1,70,000	170.00	1,70,000	170.00
Total	2,61,70,000	2,770.00	2,61,70,000	2,770.00
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each *	1,37,02,301	1,370.23	1,37,02,301	1,370.23
Total	1,37,02,301	1,370.23	1,37,02,301	1,370.23

* Out of above equity shares, 37,59,899 equity shares of Rs. 10/- each fully paid have been allotted to erstwhile share holders of the amalgamating Company M/s Shree Rajasthan Texchem Ltd., pursuant to the scheme of amalgamation as approved by the Hon'ble High Court of Rajasthan , Jodhpur without payment being received in cash.

11% non convertible cumulative redeemable preference shares of Rs. 100 each are classified as financial liability (Refer Note 20)

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2020	As at March 31, 2019
	Number of shares	Number of shares
Shares at the beginning of the year	1,37,02,301	1,37,02,301
Movement during the year	-	-
Shares outstanding at the end of the year	1,37,02,301	1,37,02,301

(b) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of Rs 10/- each. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividends as and when declared by the Company. In the event of liquidation , the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their shareholding.

(c) Detail of shareholders holding more than 5% shares of the aggregate shares in the Company

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	% holding	Number	% holding
Equity shares of Rs. 10 each fully paid				
SRSL Securities Ltd.	21,07,855	15.38	21,07,855	15.38
V.K. Ladia	8,66,018	6.32	8,66,018	6.32
Shree Shyam Distributors & Maktg. (P) Ltd.	8,01,924	5.85	8,01,924	5.85
V.K. Texchem Private Limited	7,44,871	5.44	7,44,871	5.44

19 Other equity

(Rs. in Lakhs)							
Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	General Reserve	Capital Redemption Reserve	Share Premium	Securities Premium	Retained Earnings	Re-measurement of the net defined benefit plans	
Balance as at April 1, 2018	177.12	500.00	1,998.42	718.82	(2,063.63)	56.14	1,386.87
Profit for the year	-	-	-		(1,772.76)	-	(1,772.76)
Other comprehensive income (expense) (net of tax)	-	-	-		-	36.12	36.12
Balance as at March 31, 2019	177.12	500.00	1,998.42	718.82	(3,836.39)	92.26	(349.77)
Profit for the year	-	-	-		(2,170.47)	-	(2,170.47)
Other comprehensive income (expense) (net of tax)	-	-	-		-	87.54	87.54
Balance as at March 31, 2020	177.12	500.00	1,998.42	718.82	(6,006.86)	179.80	(2,432.70)

- Note :-**
- (i) **General reserve**
General Reserve represents the statutory reserve in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend. However, under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.
 - (ii) **Capital Redemption Reserve**
Capital Redemption reserve is a statutory, non-distributable reserve created on account of redemption of debentures as per the provisions of Companies Act, 2013 which can be utilised for issue of bonus shares.
 - (iii) **Share Premium**
Share premium represents the amount received in excess of par value of securities. Section 52 of Companies Act, 2013 specify restriction and utilisation of share premium.
 - (iv) **Securities Premium**
Securities Premium represents reserve created at the time of amalgamation.
 - (v) **Retained Earnings**
Retained earnings represent amount that can be distributed by the Company to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act 2013.
 - (vi) **Other Comprehensive Income**
Other comprehensive income represents the balance in equity for items to be accounted in other comprehensive income.

20 Non-current borrowings

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
A. Term loans (Secured)		
From banks	4,173.55	4,173.55
Less : Current maturities of long term debt	(926.46)	(451.42)
Less : Unamortised processing fee	0.00	(0.55)
	3,247.09	3,721.58
B. Redeemable preference share capital	213.17	194.94
	213.17	194.94
C. Fixed Deposits (Unsecured)		
- from directors	7.61	6.38
- from related parties	337.43	334.65
	345.04	341.03
Less : Current maturities of long term debt	(28.14)	(20.73)
	316.90	320.30
Total	3,777.16	4,236.82

a) Details of security for term loan

Term Loans from IDBI Bank Ltd. (IDBI) , State Bank of India (SBI) , and Bank of Baroda (BOB) are secured by a joint equitable mortgage, by deposit of title deeds over the company's immovable assets and a charge by way of hypothecation of all movable assets (except Plant & Machinery exclusively charged in favour of BOB for Loan of Rs.1010.00 Lakhs (March 31, 2019 Rs. 1010.00 Lakhs) present and future subject to prior charges on specified movables created in favour of company's Bankers along with personal guarantee of two directors. The mortgage and charges created shall rank pari-passu inter-se amongst the financial Institution and Banks.

The term loans of the company have been restructured by all the banks with effect from 1st April 2017. The Company has received the sanction letters for the same. The implementation of the package is under process and shall be executed in the year 2020-21. The impact of the above sanctions have been taken in the financial statements. During the current year, the Company has accounted for the various terms and conditions of the sanction with effect from 1st April 2017. Further few conditions of the sanction are proposed to be modified.

b) Terms and conditions for preference shares

1.7 Lakhs (March 31, 2017: 1.7 Lakhs) 11% non convertible cumulative redeemable preference shares of Rs. 100 each are redeemable at par on or before September 05, 2027.

c) Maturity Profile of Secured Term Loans from Banks are as set out below :

(Rs. in Lakhs)		
Repayment Due in Financial Years	As at March 31, 2020	As at March 31, 2019
2019-2020	-	451.42
2020-2021	926.46	475.04
2021-2022	689.84	689.84
2022-2023	804.96	804.96
2023-2024	852.10	852.10
2024-2025	425.58	425.58
2025-2026	321.61	321.61
2026-2027	153.00	153.00
Total	4,173.55	4,173.55

d) Maturity Profile of Unsecured Deposits are as set out below :

(Rs. in Lakhs)		
Repayment Due in Financial Years	As at March 31, 2020	As at March 31, 2019
2019-2020	-	20.73
2020-2021	28.14	320.30
2021-2022	-	-
2022-2023	14.01	-
2023-2024	302.89	-
Total	345.04	341.03

e) Interest Rates are lending Bank's MCLR (Y) + 2.95 TO 5.40 %.

21 Non Current Lease Liability

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liability #	3.36	-
Total	3.36	-

Refer note no. 45

22 Other non-current financial liabilities

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Financial liabilities at amortized cost		
Deposit & Advances	151.26	166.88
Total	151.26	166.88

23 Non-current provisions

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Provison for employee benefits (refer note no.43)	132.50	249.77
Total	132.50	249.77

24 Current borrowings

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
Working capital loans from banks #		
-Rupee Loan	5,239.57	4,492.46
	5,239.57	4,492.46
Unsecured		
Inter coporate loans	-	5.00
	-	5.00
Total	5,239.57	4,497.46

Details of security for working capital loans

Borrowings for Working Capital from State Bank of India, Bank of Baroda , State Bank of India (Erstwhile SBBJ) and IDBI Bank Ltd. are secured by hypothecation of raw materials, stock-in-process, stock-in-transit, finished goods, consumable stores and spares and book debts and are further secured by way of second charge on immovable assets of the Company ranking pari-passu inter-se amongst the Bankers and along with personal guarantee of two directors.

The term loans of the company have been restructured by all the banks with effect from 1st April 2017. The Company has received the sanction letters for the same. The implementation of the package is under process and shall be executed in the year 2020-21. The impact of the above sanctions have been taken in the financial statements. During the current year, the Company has accounted for the various terms and conditions of the sanction with effect from 1st April 2017. Further few conditions are proposed to be modified. .

25 Trade payables

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
(i) Due to micro and small enterprises	22.11	35.61
(ii) Due to others	1,394.82	2,497.52
Acceptances #	1,299.61	1,382.46
Total	2,716.54	3,915.59

Represents credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are payable within one year.

26 Current Lease Liability

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liability #	10.33	-
Total	10.33	-

Refer note no. 45

27 Other current financial liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Financial liabilities at amortized cost		
(i) Current maturities of long term borrowings #	926.46	451.42
(ii) Current maturities of deposits from related parties	20.53	14.35
(iii) Current maturities of deposits from directors	7.61	6.38
(iv) Interest accrued and due on borrowing	2,858.69	1,603.99
(v) Employees related payables	267.08	168.30
(vi) Deposit & advances	9.77	26.20
(vii) Bank overdraft	-	12.48
(viii) Interest accrued but not due on borrowing	4.17	5.22
(ix) Unclaimed Interest on PFD	-	0.08
Total	4,094.31	2,288.42

Refer note no. 20 for security and other terms related to borrowings

28 Current provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provison for employee benefits (refer note no.43)	107.53	159.77
Total	107.53	159.77

29 Other current liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances from customers	14.28	4.62
Statutory dues payable	32.12	61.08
Other liabilities	34.21	101.26
Total	80.61	166.96

30 Revenue from operations		(Rs. in Lakhs)	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	
Sale of products			
- Domestic	5,661.51	15,131.92	
- Export	69.58	1,857.62	
Sale of services			
- Job work	1,201.58	133.15	
Other operating revenues			
- Export incentives	-	58.93	
- Insurance claims of damaged goods	-	18.20	
- Miscellaneous Income	0.02	0.01	
Total revenue from operations	6,932.69	17,199.83	

31 Other income			
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	
Interest income :-			
- Interest recovered from customers	0.10	19.99	
- Interest received on bank FDR's, loans & others	87.19	148.24	
Sundry balances / excess liability written back	75.07	33.09	
Rental income /lease rent Received	1.55	0.18	
Total other income	163.91	201.50	

32 Cost of material consumed			
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	
Fibre Consumption	3,151.42	10,213.95	
Dyes & Chemical Consumption	9.55	191.08	
Packing Material Consumption	106.16	209.19	
Total cost of material consumed	3,267.13	10,614.22	

33 Purchases of Stock-in-trade			
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	
Yarn	7.76	-	
Total purchases of stock-in-trade	7.76	-	

34 Changes in inventories

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the beginning of the year		
Yarn	478.99	1,507.06
Work in process	215.12	443.85
Waste & Scrap	6.16	14.83
Fabrics	2.19	4.29
	702.46	1,970.03
Inventories at the end of the year		
Yarn	106.85	478.99
Work in process	130.50	215.12
Waste & Scrap	9.01	6.16
Fabrics	2.19	2.19
	248.55	702.46
Total changes in inventories	453.91	1,267.57

35 Employee benefit expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries & wages including bonus	997.91	1,911.99
Contribution to provident and other funds	270.96	257.26
Staff welfare expenses	11.54	17.65
Total employee benefit expenses	1,280.41	2,186.90

36 Finance cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expenses on :-		
- term loans #	587.67	582.59
- other bank borrowings facilities #	789.09	856.59
- other	28.42	45.51
Dividend on redeemable preference shares	18.23	16.46
Other borrowing costs		
- bank and finance charges	47.22	78.19
Loss on foreign currency transactions & translation	3.47	13.33
Total finance cost	1,474.10	1,592.67

The finance cost has been calculated as per the current sanction letter of the banks after restructuring. The package is under implementation. If the package is not implemented, the finance cost would be higher by Rs. 370.89 Lakhs (FY 2018- 19 Rs. 340.86 and FY 2017-18 Rs. 337.87 Lakhs).

37 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on tangible assets	431.42	448.32
Amortisation of intangible assets	0.23	0.22
Amortisation of right of use asset	9.66	-
Total depreciation and amortisation expense	441.31	448.54

38 Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Manufacturing expenses:		
Stores & spares	18.26	55.48
Packing expenses	12.16	21.78
Power & fuel	1,625.21	2,989.77
Repairs & maintenance on:		
- Plant & machinery	115.41	235.17
- Building	8.50	18.08
- General	3.08	4.14
Sundry manufacturing expenses	81.04	123.30
Job work charges	-	6.58
Administrative & other expenses:		
Directors sitting fees	1.61	2.45
Directors remuneration	72.60	73.40
Rent, rates & taxes	29.49	44.39
Travelling (including directors travelling)	39.01	52.43
Insurance charges	19.24	18.28
Vehicle upkeep	10.26	14.67
Office expenses	20.37	27.75
Legal & professional expenses	25.33	49.20
Telephone expenses	3.68	5.42
Fees & cess	7.43	7.05
Printing & Stationery	5.33	9.29
Loss on sale of fixed assets	15.00	0.43
Charity & Donation	2.03	-
Postage expenses	2.19	2.78
Misc. expenses	46.59	70.81
Allowances for expected credit loss	64.31	53.68
Sundry balances written off / claim settlement	19.86	45.87
Auditors remuneration:		
Audit fee	3.30	3.30
Tax audit fee	0.93	0.93
Other services	1.02	0.77
Audit expenses	1.33	2.70
Internal audit fee & expenses	1.89	2.02
Cost audit fee & expenses	0.92	0.99
Selling expenses:		
Commission & brokerage	6.99	131.77
Freight & forwarding (net of recoveries)	60.91	257.24
Rebate & claim	3.90	3.76
Others	0.43	11.40
Total other expenses	2,329.61	4,347.04

Details of payment to auditors (excluding applicable taxes)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Auditors' remuneration		
a) Audit fee	3.30	3.30
b) Tax audit fee	0.93	0.93
c) Limited review fee	0.77	0.77
d) In other capacities		
Certification services	0.25	-
Reimbursement of expenses	1.33	2.70
(ii) Internal audit fee & Expenses	1.89	2.02
(iii) Cost audit fee & Expenses	0.92	0.99
Total payment to auditors	9.39	10.71

39 Earnings per share

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on “Earning Per Share” given as under: -

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/(Loss) attributable to equity shareholders (Rs.) (A)	(2,170.47)	(1,772.76)
Weighted average number of outstanding equity shares (B)	1,37,02,301	1,37,02,301
Nominal value per equity share (Rs.)	10.00	10.00
Basic EPS (Rs. in Lakhs) (A/B)	(15.84)	(12.94)
Diluted EPS (Rs. in Lakhs) (A/B)	(15.84)	(12.94)

40 Contingent liabilities and commitments

(i) Contingent liabilities

		(Rs. in Lakhs)	
Particulars		As at March 31, 2020	As at March 31, 2019
a)	Guarantees issued by bank on behalf of the Company	296.11	296.11
b)	Disputed demands under excise,customs & service tax	43.74	109.22
c)	Claims against the company not acknowledged as debt	Nil	Nil

- d) The Apex Income tax authorities have decided cases for the assessment year from 1998-99 to 2015-16.The department/ company has referred the cases to the Hon’ble High Court of Rajasthan, ITAT, CIT(A). The advance Income tax/ MAT paid by the Company shall be adjusted on the decision of the Hon’ble High Court of Rajasthan, ITAT, CIT(A).

- Assessment of Income Tax has been completed upto the assessment year 2017-18.
In view of carry forward losses no provision is required towards Income Tax.
- e) Assessment of Sales Tax has been completed upto 2017-18 (April to June 2017) . Assessing officer revised a demand of Rs. 25.85 Lakhs for 2016-17 and Rs. 7.47 Lakhs for 2017-18. Company has filed rectification application against the order. The Assessment of GST for the assessment years 2017-18 to 2019-20 are pending, liabilities if any, arising thereon shall be accounted for in the year of assessment.
- f) In case of Disputed demands under excise, customs and service tax, the company has deposited Rs. 19.59 Lakhs (previous year Rs. 29.20 Lakhs) under protest.

- Legal Cases**
- g) The Company has received various demands of ESI aggregating to Rs. 25.01 Lakhs. (Previous year Rs.25.01 Lakhs). Since the matter is pending in appeal and the Company does not envisage any liability, no provision has been made. Amount deposited under Protest Rs. 2.38 Lakhs. (Previous year Rs. 2.38 Lakhs).
- h) The Company suffered losses due to breaches/non-fulfillment of the terms and conditions of the Contract with M/s. Kirloskar Oil Engines Ltd. in respect of 2 Nos. DG set of 2.5 MW supplied by them. These losses have been partly recovered by the Company by encashment of Bank Guarantee taken under the Contract with the party. For balance recovery of Rs. 234.23 Lakhs suit against KOEL is filed. M/s Kirloskar Oil Engines Ltd has also filed a counter claim of Rs. 603.57 Lakhs for recovery of invoked bank guarantees including Rs.53.56 Lakhs as interest and Rs.50 Lakhs compensation.
- i) The Hon’ble Supreme court in the case of Jindal Stainless Ltd. has held levy of Entry Tax unconstitutional. It has also directed all the High Courts to look in to the constitutional validity of respective Entry Tax. Consequent to that 5 High Courts namely Allahabad, Punjab, Haryana, Jharkhand and Kerela has held the respective Entry Tax to be constitutionally invalid . The Hon’ble High Court of Rajasthan in the case of Dinesh Pouches has also held the levy of Entry Tax by the Government of Rajasthan as unconstitutional. As per legal opinion obtained amount paid by the company towards Entry Tax pursuant to Rajasthan Entry Tax Act 1999 has become refundable since inception. It filed refund claim of Entry Tax aggregating to Rs. 252.32 Lakhs, for the year 2001-02 to 2005-06.
The Company is not liable to pay Entry Tax pursuant to the above said decision of Supreme Court, as such the Company has not provided for Entry Tax for the year 2006-2007 to 2014-15 aggregating to Rs. 231.06 Lakhs.
The aggrieved State Governments including Government of Rajasthan filed appeals with Hon’ble Supreme Court of India.
Various High Courts, including the Hon’ble High Court of Rajasthan rejected all the cases relating to Entry Tax. Aggrieved by the judgement of Hon’ble High Court of Rajasthan, the “Trade” had filed SLP with Hon’ble Supreme Court of India with Stay Application. While disposing off stay petition Hon’ble High Court has given Interim Order for deposit of 50% of principal demand and for balance 50% Bank Guarantee to be submitted to Govt through assessing authorities. The company has deposited Rs. 231.06 Lakhs against principal demand of Rs. 231.06 Lakhs up to 2014-15 (From February 2015 the company is regularly paying Entry Tax).
SLP filed before Hon’ble Supreme Court has been decided vide order Dated 11th November, 2016, Hon’ble Supreme Court has decided SLP confirming that state can levy Entry Tax. However, state cannot discriminate the levy of Entry Tax. In view of this judgement we have sought opinion that whether on the point of discrimination we are required to file separate petition before Hon’ble Supreme Court or respective High Court jurisdiction. On this point Hon’ble Supreme Court has further directed that we should go on the point of discrimination to respective High Court. The Company has filed writ before Hon’ble High Court of Jodhpur, Rajasthan.

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2020

- j) The company has filed writ petitions with Hon'ble high court of Rajasthan against disallowances of benefits receivable under Rajasthan Investment Promotion Scheme 2003 (RIPS) on expansion and modernization towards interest subsidy and wage and employment subsidy. These benefits aggregate to Rs. 923.74 Lakhs from the assessment year 2007-08 to 2015-16 inclusive of interest Rs. 294.28 Lakhs. As per legal opinion obtained, the company, is accounting these benefits in its books of account on accrual basis. It has also filed appeal before respective authority and deposited under protest Rs. 72.54 Lakhs (Previous year Rs.72.54 Lakhs). Further, for the assessment year 2016-17 and 2017-18, the company has submitted rectification application against demand of Rs. 15.89 Lakhs and Rs. 4.51 Lakhs which is pending before Asst. Commissioner (Commercial Tax), Udaipur.

The Company is eligible for subsidy under Rajasthan Investment Promotion Scheme 2010 and has accounted Rs. 108.28 Lakhs (including interest Rs. 10.42 Lakhs) under Investment and Employment Subsidy for its modernization and expansion project (Previous year Rs. 108.28 Lakhs including interest Rs. 10.42 Lakhs) and Rs. 37.40 Lakhs under Electricity Duty benefit (Previous year Rs. 37.40 Lakhs). The commissioner of industries & state level screening committee rejected the revision and the company has filed writ before Hon'ble High Court of Rajasthan.

- k) As per legal opinion Urban Cess and Water Cess levied by State of Rajasthan is not leviable on the company being established at RIICO Industrial land. The entire amount of Rs.245.95 Lakhs paid upto 31.03.2012 was charged to profit and loss account has become recoverable. The company has accounted this amount of Rs.245.95 Lakhs under the head demand deposited under Protest recoverable Account in previous year 2017-18. A sum of Rs. 1228.20 Lakhs paid from financial Year 2010-11 to 2019-20 stands recoverable under the head Urban Cess / Water Cess deposited under Protest recoverable Account (Previous year Rs. 1208.10 Lakhs). The company has also accounted the interest recoverable of Rs. 339.83 Lakhs (Previous year Rs. 339.83 Lakhs) based on the legal opinion obtained. The company has filed SLP in Supreme Court for the recovery of entire amount. From the financial year 2018-19 the AVVNL has stopped charging Urban Cess.
- l) The company has filed a writ petition with Hon'ble High Court of Rajasthan towards the payment of cross subsidy surcharge to AVVNL for the period April 2014 to November 2016. The disputed amount paid so far is Rs. 223.52 Lakhs (Previous year Rs. 223.52 Lakhs) including interest amount of Rs.54.30 Lakhs (Previous year Rs. 54.30 Lakhs).
- m) The AVVNL has recovered Rs. 23.84 Lakhs towards late payment Surcharge (LPS) on incentive disallowed towards power factor. The Company has deposited the same under protest and filed an appeal in the Hon'ble Rajasthan high Court for the entire amount.
- n) AVVNL has unilaterally charged 3% transformation losses amounting to Rs. 12.56 Lakhs on entire consumption instead of over and above of 5 MVA on pro-rata basis as per the earlier notification date 19.07.2004. Being aggrieved with the order, the Company has taken legal advise from the advocate and filed civil writ petition before the Hon'ble Rajasthan high Court
- o) As legally opined, the electricity duty levied by AVVNL on electricity supplied by Tata Power Trading Co. Ltd is unconstitutional and hence illegal and not leviable. The Company has filed writ petitions against this levy with Hon'ble High Court of Rajasthan. The Company disputes this levy and has deposited Rs 471.97 Lakhs under protest up to financial year 2017-18. The company has also accounted the interest recoverable upto 31.03.2019 of Rs. 78.98 Lakhs based on the legal opinion obtained.
- p) The Rajasthan Electricity Regulatory Commissioner levied additional surcharge @ Rs. 1/- per unit on open access purchases on 12.05.2016. The order was challenged by the company and other consumers in the Hon'ble High Court of Rajasthan and also before the Hon'ble Tribunal (APTEL) on the ground of natural justice. The order of the Commissioner was set aside by these courts and referred back to State Commission. The State Commission reconsidered the matter and refixed the additional surcharge @ 0.80/- per unit. The matter was taken up by RTMA and it filed Review petition with the State Commission and also an appeal before Hon'ble Tribunal (APTEL). The matter is still pending with the above judicial authorities. The company has paid Rs. 508.06 Lakhs under protest up to financial year 2017-18. The company has also accounted the interest recoverable of Rs. 67.91 Lakhs (Previous year Rs. 67.91 Lakhs) based on the legal opinion obtained.
- q) The company has received demand notice from Electricity Inspection department for Rs. 18.44 Lakhs, in respect of Inspection fees from Electricity Inspectorate, Kota for the period 1994-1995 to 2012-13. In above matter company accepted demand of Rs. 7.40 Lakhs in respect of years 1994-1995 to 2001-2002 and deposited Rs. 5.17 Lakhs against it, balance amount of Rs. 13.27 Lakhs is deposited under protest. Further company has also received demand notice of Rs.18.32 Lakhs in Texchem division and Rs.3.97 Lakhs for Syntex Division. Being aggrieved with the order, company has filed writ petition before Hon'ble High court of Rajasthan, Jodhpur. Stay has been granted by Hon'ble High Court, Jodhpur in above matter on pre-condition to deposit advance amount of Rs. 11.98 Lakhs. Company has deposited the amount under protest and matter is pending before Hon'ble High Court, Jodhpur.
- r) The company has shown TUF Subsidy receivable for the period Oct.2012 to Mar.2017 Rs. 290.28 lacs in the books of accounts (Previous year Rs. 290.28 lacs) on Term loan of Rs. 1625 lacs from SBI. The company has also accounted the interest recoverable of Rs. 75.23 lacs (Previous year Rs. 75.23 lacs) on the subsidy amount. The matter is pending with NABCONS, an agency appointed by Ministry of Textiles, to reconcile the committed liability data for all units where TUFs subsidies are pending. During financial year 2019-20 the Ministry of Textile has issued directions to hold Joint Inspection for verification of pending TUFs claims. Accordingly application for Joint Inspection has been submitted by SBI which is under process by Ministry of Textiles.
- s) The company has paid Rs. 18.70 Lakhs to M/s TUSCON ENGINEERS LTD. as per arbitration award given against the company. The company has filed an appeal with Hon'ble High Court of Rajasthan against the arbitration award.
- t) The company is entitled to receive pending Rebate Claim of Rs 43.42 Lakhs (Previous year Rs. 43.42 Lakhs) towards Excise Duty recoverable on export clearance, out of which claims of Rs. 28.48 Lakhs were rejected by Jt. Secretary (RA) against which company has filed writ petition in Hon'ble High Court of Jodhpur, The Hon'ble High Court, Jodhpur rejected the writ petition filed by the company. The Company has submitted Revision Application before Hon'ble High Court of Jodhpur and the same had also been rejected by Hon'ble High court by order dated 27.02.2020. The company has decided to file SLP against the Hon'ble High Court Order. Further claims of Rs. 14.94 Lakhs are pending before the Revision Authority Joint Secretary, Ministry of Finance, Department of Revenue, New Delhi.
- u) The company received Rs 64.94 Lakhs and 57.09 Lakhs against excise duty recoverable on export clearance from Central Excise Department in earlier years. However the Department has deducted a sum of Rs 43.97 Lakhs and 28.18 Lakhs respectively from claims payable to company on account of interest and other liability in the matter of sales tax incentive case. The company does not agree with above deductions made by Central Excise Department. The Company has gone in appeal for both the matters for Rs. 43.97 Lakhs the Hon'ble CESTAT remanded the matter to assessing authority for Rs. 28.18 Lakhs the Commissioner Appeals has remanded the matter to adjudicating authority to decide the matter on the principal of natural justice.
- v) In respect of the supplies of coal from M/s Anik Industries Ltd, a quality claim as per purchase order was made by the company which was not accepted by the supplier. The matter was referred in arbitration where it was held that the coal supplied by the supplier was not of the quality as mentioned in the purchase orders. However, in respect of counter claim by the company an amount of Rs. 71.46 Lakhs (including interest of Rs. 31.06 Lakhs) is under litigation.

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2020
(ii) Commitments

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil
(ii) Export commitments against import of capital goods and stores & spares under EPCG scheme (Duty saved amount)	Nil	Nil

- 41 The Company has accumulated loss of Rs. 58.27 crores (including Other Comprehensive Income) against paid up share capital of Rs. 13.70 crores as at 31 March, 2020 and its current liabilities exceed its current assets by Rs. 62.36 crores. Further the Company has also defaulted in repayment of borrowings from the lenders. The Company has submitted a resolution plan to the consortium lenders for the revival of its business through restructuring of its repayment terms. Also, in view of the Management's expectations of the successful outcome in future years against which such lossess will be adjusted through better capacity utilisation of plant reduction of borrowings and Interest cost. Accordingly , financial statements have been prepared on going concern basis.
- 42 Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below: -

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount due outstanding	22.11	35.61
Interest due on (1) above and unpaid	2.39	3.37
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable	-	-

- 43 Employee benefits
- a) Defined contribution plans: -

The Company has recognized following expense in respect of the defined contribution plans : -

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Contribution to provident fund	72.54	142.70
Contribution to employee state insurance	20.05	60.27
Total	92.59	202.97

- b) Defined benefit plans: -

Below tables sets forth the changes in the projected benefit obligation and amounts recognised in the balance sheet as at March 31, 2020 and March 31, 2019, being the respective measurement dates: -

- (i) Movement in present value of obligations

(Rs. in Lakhs)		
Particulars	Gratuity (unfunded)	Leave encashment (unfunded)
Present value of obligation as at April 1, 2018	344.95	45.64
Current service cost	31.72	(0.97)
Interest cost	22.95	2.70
Benefits paid	(24.43)	(3.88)
Remeasurement- Actuarial loss/(gain) on obligation	(53.29)	-4.01
Present value of obligation as at March 31, 2019	321.90	39.48
Current service cost	18.33	45.60
Interest cost	14.80	3.30
Benefits paid	(44.06)	(42.62)
Remeasurement- Actuarial loss/(gain) on obligation	(118.28)	(14.15)
Present value of obligation as at March 31, 2020	192.69	31.61

(ii) Expenses recognised in the Statement of profit & loss

(Rs. in Lakhs)		
Particulars	Gratuity(unfunded)	Leave encashment(unfunded)
Current service cost	31.72	(0.97)
Interest cost	21.87	2.71
Administrative Exp	0.70	-
Remeausrement - Actuarial loss/(gain)	-	(4.01)
For the year ended March 31, 2019	54.29	-2.27
Current service cost	18.33	45.60
Interest cost	14.49	3.30
Administrative Exp	0.12	-
Remeausrement - Actuarial loss/(gain)	-	(14.15)
For the year ended March 31, 2020	32.94	34.75

(iii) Expenses recognised in the Other Comprehensive Income

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Remeasurement - actuarial gain/(loss) on gratuity	(118.30)	(52.50)

(iv) The principal actuarial assumptions used are set out below: -

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Mortality rate	100% of India Assured Lives 2012-14 Mod Ult	100% of India Assured Lives 2006-08 Mod Ult
Discount rate	6.50%	7.70%
Expected rate of increase in compensation	3.50%	3.50%
Expected average remaining service	20.10	19.90
Employee attrition rate	11.10%	11.10%

(v) Sensitivity Analysis

(Rs. in Lakhs)			
Particulars	Change in assumption	Effect on gratuity	Effect on Leave encashment
Discount Rate	+ 1%	(674.00)	(96.00)
Discount Rate	- 1%	743.00	107.00
Salary growth rate	+1%	710.00	127.00
Salary growth rate	- 1%	(664.00)	(117.00)
Attrition rates up 10.0%	+10%	112.00	13.00
Attrition rates down 10.0%	-10%	(126.00)	(13.00)

(vi) Estimate of expected benefit payments (in absolute terms i.e. undiscounted)

(Rs. in Lakhs)		
Particulars	Gratuity(unfunded)	Leave encashment(unfunded)
1 April 2020 to 31 March 2021	76.47	15.35

44 a) Income tax expense

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax	-	-
Deferred tax	12.84	(269.94)
Income tax earlier years	-	83.20
Total tax expenses	12.84	(186.74)

b) Reconciliation of estimated income tax to income tax expense

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(Rs. in Lakhs)		
Particulars	For the year endedMarch 31, 2019	For the year endedMarch 31, 2018
Accounting profit before tax (A)	(2,157.63)	(1,959.50)
Enacted tax rate in India (B)	26.00%	31.20%
Expected income tax expense at statutory tax rate (A*B)	(560.98)	(611.36)
Tax effect of the amount not deductible for computing taxable income		
Expenses on which no deferred tax asset has been created	404.00	-
Expenses not deductible in determining taxable profits	4.74	5.68
Earlier Year Adjustments	-	83.20
Unabsorbed depreciation for which no deferred tax asset has been created	52.58	-
Unused tax losses for which no deferred tax asset has been created	99.68	296.68
Effect of brought forward capital losses set off during the year	-	55.36
Effect of change in tax rates	12.84	(16.30)
Tax expense reported	12.84	(186.74)

c) Deferred tax

The significant component of deferred tax assets / (liabilities) and movement during the year are as under:

(Rs. in Lakhs)				
Particulars	Deferred tax liability/(asset) as at March 31, 2019	Recognised/ (reversed) in statement of profit & loss	Recognised/ (reversed) in OCI	Deferred tax Liability/(Asset) as at March 31, 2020
Gross deferred tax liabilities				
Property, plant and equipment	1,970.65	(328.43)	-	1,642.22
Upfront amortisation on borrowings	0.58	-	-	0.58
	1,971.23	(328.43)	-	1,642.80
Gross deferred tax assets				
Provision for gratuity / leave encashment	111.48	12.18	(30.76)	92.90
Disallowances under Income tax	535.16	(89.19)	-	445.97
Brought forward losses	1,585.54	(264.26)	-	1,321.28
Discounting of security deposits	0.08	-	-	0.08
	2,232.26	(341.27)	(30.76)	1,860.23
Deferred Tax (Assets) / Liability	(261.03)	12.84	30.76	(217.43)

- d) Management reviewed the deferred tax assets/liabilities on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date and in view of virtual uncertainty of taxable profits in near future, the deferred tax (net assets) on temporary differences, business losses and unabsorbed depreciation for the reporting financial year i.e. 01.04.2019 to 31.03.2020 has not been considered. The change in the deferred tax assets and liabilities from 31.03.2019 to 31.03.2020 is due to change in Income tax rates.

45 Leases

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. The disclosures under Ind AS 116 as a lessee in relation to leases are as follow: -

(i) The break-up of current and non-current lease liabilities as at March 31, 2020 is as follows

(Rs. in Lakhs)	
Particulars	As at March 31, 2020
Current lease liabilities	10.33
Non-current lease liabilities	3.36
Total lease liabilities	13.69

(ii) The expenses relating to short term leases for the year ended March 31, 2020 amounting to Rs. 29.48 lakhs.

(iii) The details of the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis are as follows:

(Rs. in Lakhs)	
Particulars	As at March 31, 2020
Less than one year	10.33
One to five years	3.36
Total lease liabilities	13.69

(iv) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

(Rs. in Lakhs)	
Particulars	As at March 31, 2020
LEASE LIABILITY	
Opening Balance	-
Addition as per Ind-AS 116	22.46
Finance cost accrued during the year as per Ind-AS 116	1.96
Payment of lease liabilities	(10.73)
Closing Balance	13.69

46 Expenditure towards Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Companies Act, 2013, the company is not required to contribute any amount towards Corporate Social Responsibility, due to losses during the three immediately preceding financial years

47 Related party disclosures

The related party disclosures in accordance with the requirements of Ind AS - 24 "Related Party Disclosures" has been given below: -

(a) Name and nature of related party relationships

(i) Directors

Mr. Vinod Kumar Ladia (Chairman and Whole Time Director)
Mr. Vikas Ladia (Managing Director and Chief Executive Officer)
Mr. Anubhav Ladia (Whole Time Director)
Mr. Raj Singh Nirwan (Independent Director) (upto 31.05.2019)
Mr. Narendra Nath Agrawala (Independent Director)
Mrs. Neelima Khetan (Independent Director)
Mr. Sunil Goyal (Independent Director)
Mr. Susheel Jain (Independent Director)

(ii) Key Managerial Personnel

Mr. Vinod Kumar Ladia (Chairman and Whole Time Director)
Mr. Vikas Ladia (Managing Director and Chief Executive Officer)
Mr. Anubhav Ladia (Whole Time Director)
Mr. Vinay Punjawat (Chief Financial Officer)
Ms. Ravina Soni (Company Secretary) (upto 27.12.2019)
Ms. Devanshi Shah (Company Secretary) (w.e.f 04.01.2020)

(iii) Relatives of Directors and Key Managerial Personnel

Mrs. Monika Ladia
Mr. Aman Ladia

(iv) Enterprises over which Key Managerial personnel are able to exercise significant influence

M/s. A. M. Traders
M/s. Madan Chand & Sons
M/s. Shree Shyam Distributors and Marketing Private Limited
M/s. V K Texchem Private Limited
M/s. PBS Marketing Private Limited
M/s. Shree Shyam Industries Private Limited
M/s. SRSL Employees Welfare Trust
M/s. SRSL Educational Society
M/s. SRSL Charitable Trust

(b) Description of the nature of transactions with the related parties

(Rs. in Lakhs)

Details of transactions	Financial Year ended March 31, 2020			Financial Year ended March 31, 2019		
	Related to KMP/ Enterprises over KMP are able to exercise significant influence	Transactions with Directors	Total	Related to KMP/ Enterprises over KMP are able to exercise significant influence	Transactions with Directors	Total
a. Fixed deposits taken	17.71	7.61	25.32	3.75	2.90	6.65
b. Fixed deposits repaid	14.93	6.38	21.31	33.79	6.69	40.48
c. Raw material purchase	-	-	-	114.06	-	114.06
d. Interest expenses on fixed deposits	30.10	0.56	30.66	31.33	0.34	31.67
e. Remuneration	22.23	130.37	152.60	21.85	103.38	125.23
f. Professional charges	-	-	-	1.03	-	1.03
g. Lease rental paid	1.84	-	1.84	8.21	-	8.21
h. Board meeting fees	1.61	-	1.61	-	2.45	2.45
i. Lease rental received	0.85	-	0.85	0.18	-	0.18

(c) Amount due to/ from related parties

(Rs. in Lakhs)

Details of transactions	As at			As at		
	Related to KMP/ Enterprises over KMP are able to exercise significant influence	Transactions with Directors	Total	Related to KMP/ Enterprises over KMP are able to exercise significant influence	Transactions with Directors	Total
a. Payables						
i. Fixed deposits payable	337.43	7.61	345.04	334.65	6.38	341.03
ii. Fees payable	-	-	-	0.93		0.93
iii. Rent payable	3.01	-	3.01	1.67		1.67
iv. Security Deposit Payable	62.00	-	62.00	62.00	-	62.00
v. Creditors	89.78	-	89.78	89.78	-	89.78
b. Receivables						
i. Loan receivables	78.75	-	78.75	78.75		78.75

48 Segment reporting

The Company is primarily engaged in Production of Textile products having similar economic characteristics, Revenue from other segment is less than 10% of total revenue.

The Board of Directors of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company’s performance, allocate resources based on analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of Ind-AS 108 ‘Operating Segments’. The entity wide disclosures required by Ind-AS 108 are made as follows: -

A. Entity Wide Disclosures:

Geographical Information:

(i)Revenue from external customers

(Rs. in Lakhs)			
Particulars	Within India	Outside India	Total
Financial Year ended March 31, 2020	6,863.09	69.58	6,932.67
Financial Year ended March 31, 2019	15,265.07	1,857.62	17,122.69

(ii) Non Current assets

The Company has common non- current operating assets located in India for domestic as well as overseas market. Hence, separate figures for these assets are not required to be furnished.

B. Revenue from major products and services

(Rs. in Lakhs)		
Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019
Synthetic Blended Yarn	5,565.69	15,240.43
Filament Yarn	1,366.98	1,882.26
Total	6,932.67	17,122.69

49 Financial instruments

a) Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, opitimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company’s capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from borrowings from banks and financial institutions.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents while equity includes all capital and reserves of the Company.

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Long term borrowings	3,777.16	4,236.82
Current maturities of long term debt	954.60	472.15
Short term borrowings	5,239.57	4,497.46
Less: Cash and cash equivalents	(15.24)	(1,329.53)
Less: Bank balances other than cash and cash equivalents	(1,424.89)	(84.23)
Net debt	8,531.20	7,792.67
Total equity	-1,062.47	1,020.46
Gearing ratio	-8.03	7.64

b) Fair value measurement

(a) Financial assets

(Rs. in Lakhs)				
Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
(i) Measured at amortised cost				
Other Non-current Financial assets	114.99	114.99	156.25	156.25
Trade receivables	117.48	117.48	297.34	297.34
Cash and cash equivalents	15.24	15.24	1,329.53	1,329.53
Bank balances other than cash and cash equivalents	1,424.89	1,424.89	84.23	84.23
Loans	78.75	78.75	78.75	78.75
Other current financial assets	-	-	1.56	1.56
Total financial assets	1,751.35	1,751.35	1,947.66	1,947.66

(b) Financial liabilities

(Rs. in Lakhs)				
Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
(i) Measured at amortised cost				
Long term borrowings	3,777.16	3,777.16	4,236.82	4,236.82
Other financial liabilities - Non Current	151.26	151.26	166.88	166.88
Short term Borrowings	5,239.57	5,239.57	4,497.46	4,497.46
Trade payables	2,716.54	2,716.54	3,915.59	3,915.59
Other financial liabilities	4,094.31	4,094.31	2,288.42	2,288.42
Lease Liability	13.69	13.69	-	-
Total financial liabilities	15,992.53	15,992.53	15,105.17	15,105.17

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

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

c) Financial risk management

The Company has an Audit Committee of the Boards which has the responsibility to identify the risk and suggest the management the mitigation plan for the identified risks in accordance with the risk management policy of the Company. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency.

These risks include market risk (including currency risk and interest rate risk), liquidity risk and credit risk.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

Foreign currency risk management

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD, GBP and EURO. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company’s functional currency. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign currency exposure		(Amount in USD)	
Particulars	Currency	As at March 31, 2020	As at March 31, 2019
Financial assets			
Trade receivables	USD	-	-
Financial liabilities			
Trade payables	USD	53,734.18	53,737.30
Working capital loans	USD	-	-
Total		(53,734.18)	(53,737.30)

Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% increase and decrease in the Rs. against the relevant foreign currencies. (+)(-) 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

(Rs. in Lakhs)			
Particulars	Change in currency exchange rate	Effect on profit before tax for the year ended March 31, 2020	Effect on profit before tax for the year ended March 31, 2019
USD	5.00%	-2.03	-1.86
	-5.00%	2.03	1.86

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like demand loans and working capital loans.

The following table provides a break-up of the Company’s fixed and floating rate borrowings: -

(Rs. in Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 208
Fixed rate borrowings*	213.17	194.94
Floating rate borrowings	9,758.16	9,011.49
Total borrowings	9,971.33	9,206.44

* adjusted with unmamortised processing fee

(ii) Liquidity risk management

Liquidity risk refers to the risk of financial distress or high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial instruments at the reporting date.

Financial liabilities:

(Rs. in Lakhs)			
As at March 31, 2020	Upto 1 year	> 1 years	Total
Financial liabilities			
Long term borrowings	-	3,777.16	3,777.16
Current maturities of long term debt	954.60	-	954.60
Short term borrowings	5,239.57		5,239.57
Trade payables	2,716.54	-	2,716.54
Other financial liabilities	3,290.97	-	3,290.97
Total financial liabilities	12,201.69	3,777.16	15,978.85

Financial assets:

(Rs. in Lakhs)			
As at March 31, 2020	Upto 1 year	> 1 years	Total
Financial assets			
Investments	-	-	-
Trade receivables	117.48	-	117.48
Cash and cash equivalents	15.24		15.24
Bank balances other than (ii) above	1,424.89	-	1,424.89
Loans	18.77	59.98	78.75
Other financial assets	114.99	-	114.99
Total financial assets	1,691.37	59.98	1,751.35

Financial liabilities:

(Rs. in Lakhs)			
As at March 31, 2019	Upto 1 year	> 1 years	Total
Financial liabilities			
Long term borrowings	-	4,236.82	4,236.82
Current maturities of long term debt	472.15	-	472.15
Short term borrowings	4,497.46	-	4,497.46
Trade payables	3,915.59	-	3,915.59
Other financial liabilities	1,983.16	-	1,983.16
Total financial liabilities	10,868.35	4,236.82	15,105.18

Financial assets:

(Rs. in Lakhs)			
As at March 31, 2019	Upto 1 year	> 1 years	Total
Financial assets			
Investments	-	-	-
Trade receivables	297.34	-	297.34
Cash and cash equivalents	1,329.53	-	1,329.53
Bank balances other than (ii) above	84.23	-	84.23
Loans	5.77	72.98	78.75
Other financial assets	157.81	-	157.81
Total financial assets	1,874.69	72.98	1,947.68

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

(Rs. in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables	117.48	297.34
Loss allowances	-	-
Trade receivables	117.48	297.34

Note : Trade receivables are net of provision for doubtful debt and bills discounted.

50 Impact of COVID- 19 Pandemic On Operations:
The outbreak of COVID-19 pandemic in the entire country resulted in Lockdown, announced by the Central and State Government, due to which the production activities of the Company situated at Dungarpur, was halted from 22nd March, 2020 till 4th April 2020 and restarted in phased manner. The Company henceforth resumed its manufacturing and operational activities. The Company is complying with all the safety measures required as per the detailed guidelines issued by the government authorities from time to time .The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations including impact on availability of manpower and revenues. The Company is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial statements. The Company will assess any material changes to future economic conditions also and act accordingly.

51 Previous year figures have been regrouped/rearranged, wherever considered necessary to conform to current year’s classification.

See accompanying notes to the financial statements **1 to 51**

As per our report of even date

For Doogar & Associates
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

For and on behalf of the Board of Directors
Shree Rajasthan Syntex Limited

Vikas Ladia
Managing Director & CEO
DIN: 00256289

Anubhav Ladia
Whole Time Director
DIN: 00168312

Narendra Nath Agrawala
Independent Director
DIN: 00168211

Vinay Punjawat
Chief Financial Officer

Devanshi Uday Shah
Company Secretary

Place : Udaipur
Dated : June 29, 2020

Place : Udaipur
Dated : June 29, 2020