

# **PRIYA INTERNATIONAL LIMITED**

**ANNUAL  
REPORT  
2019-2020**

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### IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by allowing paperless compliance by Companies through electronic mode. In accordance with the circulars issued by the Ministry, Companies can now send various notices and documents including annual report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants and in respect of physical holdings with the Company.

## **37<sup>TH</sup> Annual General Meeting**

<b>Day</b>	<b>:</b>	<b>Saturday</b>
<b>Date</b>	<b>:</b>	<b>19<sup>th</sup> December, 2020</b>
<b>Time</b>	<b>:</b>	<b>10.30 A.M.</b>
<b>Place</b>	<b>:</b>	<b>“City Light Cinema Banquets Hall”, Ashford Chambers, 4<sup>th</sup> Floor, Lady Jamshedji Road, Mahim, Mumbai 400016.</b>

### **BOARD OF DIRECTORS**

<b>SHRI A. K. BHUWANIA</b>	<b>:</b>	Chairman
<b>SHRI R. K. SARASWAT</b>	<b>:</b>	Director
<b>SHRI M. K. ARORA</b>	<b>:</b>	Director
<b>SHRI ADITYA BHUWANIA</b>	<b>:</b>	Director
<b>SHRI ANUJ BHARGAVA</b>	<b>:</b>	Director
<b>SHRI P. V. HARIHARAN</b>	<b>:</b>	Whole Time Director
<b>SMT SAROJ BHUWANIA</b>	<b>:</b>	Director
<b>SHRI GHANSHYAM VYAS</b>	<b>:</b>	Chief Financial Officer
<b>SHRI AKASH NATANI</b>	<b>:</b>	Company Secretary (up to 07.06.2019)
<b>SMT. MANISHA G. KUDTARKAR</b>	<b>:</b>	Company Secretary (resigned on 07.06.2019)

<b>BANKERS</b>	<b>:</b>	Indian Bank
	<b>:</b>	Vijaya Bank

<b>AUDITORS</b>	<b>:</b>	Kanu Doshi Associates LLP Chartered Accountants, Mumbai.
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<b>REGISTERED OFFICE</b>	<b>:</b>	4 <sup>th</sup> Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E), Mumbai-400002.
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<b>REGISTRAR AND SHARE TRANSFER AGENT</b>	<b>:</b>	Bigshare Services Pvt. Ltd., 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400 059 Tel: 022-62638200
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<b>CIN</b>	<b>:</b>	L99999MH1983PLC086840
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<b>EQUITY SHARES ARE LISTED AT</b>	<b>:</b>	Metropolitan Stock Exchange of India Ltd. (MSEI) The Calcutta Stock Exchange Ltd. (CSE)
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<b>WEBSITE</b>	<b>:</b>	<a href="http://www.priyagroup.com">www.priyagroup.com</a>
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## NOTICE

NOTICE is hereby given that the **Thirty-Seventh Annual General Meeting** of the members of **PRIYA INTERNATIONAL LIMITED** (CIN: L99999MH1983PLC086840) will be held at "City Light Cinema Banquets Hall", Ashford Chambers, 4<sup>th</sup> Floor, Lady Jamshedji Road, Mahim, Mumbai – 400016 on Saturday, the 19<sup>th</sup> Day of December, 2020 at 10.30 A.M. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon.
2. To declare Final Dividend on Equity Shares of the Company for the financial year 2019-20.
3. To consider appointment of a Director in place of Mr. Aditya Bhuwania (DIN: 00018911) who retires by rotation and being eligible, offers himself for re-appointment.

For and on behalf of the Board  
For **Priya International Limited**

**P.V.Hariharan**

Place : Mumbai

**Whole-time Director**

Date : 31<sup>st</sup> July, 2020

**DIN: 03196975**

**Registered Office:**

4<sup>th</sup> Floor, Kimatrai Building, 77-79,  
Maharshi Karve Marg, Marine Lines (E),  
Mumbai-400002

**NOTES:**

1. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself. Such proxy need not be a member of the company.**
2. The duly completed and signed instrument appointing proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than forty-eight (48) hours before the time for holding the AGM.
3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying

voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

4. The register of members and the share transfer books of the Company will remain closed from **12<sup>th</sup> December, 2020 to 19<sup>th</sup> December, 2020** (both days inclusive).
5. The requirement to ratify the appointment of Auditors by the Members at every Annual General Meeting is done away with vide notification dated May 07, 2018 issued by the Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for the ratification of appointment of auditors, who were appointed in the Annual General Meeting, held on 13<sup>th</sup> September, 2017 for a period of 5 years.
6. Dividend recommended for the year ended 31<sup>st</sup> March, 2020 if approved by the members will be paid to those eligible members whose names appear:
  - I. As Beneficial Owners, as on 11<sup>th</sup> December, 2020, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
  - II. As Members in the Register of Members of the Company as on 11<sup>th</sup> December, 2020.
7. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate. In case you are holding Company's share in physical form, please inform Company's Share Transfer Agent viz. M/s. Bigshare Services Pvt. Ltd., 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, by enclosing a photocopy of blank cancelled cheque of your bank account.
8. M/s. Bigshare Services Pvt. Ltd., the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.

9. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/ Company.
10. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
11. Corporate members intending to send their authorised representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the AGM.
12. Details of Directors retiring by rotation at the ensuing Meeting are provided in the "Annexure" to the Notice.
13. Unclaimed dividend for the year(s) 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 are held in separate Bank accounts and shareholders who have not received the dividend are advised to write to the Company with complete their bank details.
14. In case of joint holders attending the AGM, only such a joint holder who is senior by the order in which the name stands in the register of members will be entitled to vote.
15. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
16. Members holding shares in physical mode:
  - (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company/ RTA, if not registered with the Company as mandated by SEBI.
  - (b) are requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically.
17. Members may avail dematerialisation facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised. The ISIN No. of the Company is **INE557E01013**.
18. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.
19. As per Regulation 40 of the Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
20. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with Company/ Depository Participants. Members may note that the Notice and the Annual Report 2019-20 will also be available on the Company's website at [www.priyagroup.com](http://www.priyagroup.com), on the website of Metropolitan Stock Exchange of India Ltd. (MSEI) and also on the website of NSDL <https://www.evoting.nsdl.com>.
21. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with the company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/ electronic mode, respectively.
22. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also

liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline. The members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

23. Attendance Slip, proxy form and the Route map to the Venue of meeting are annexed hereto.

24. Members attending Annual General Meeting at the venue are required to take proper precautions for attending the meeting (such as wearing of masks, hand gloves, maintaining of social distancing, proper hand washing and sanitization, etc.) considering COVID-19 pandemic situation.

25. Retirement of Directors by rotation: Mr. Aditya Bhuwania, Director of the Company, retire by rotation at the ensuing AGM and, being eligible, offer himself for re-appointment.

**26. Voting through electronic means**

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. M/s. SPRS and Co. LLP, Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

III. The facility for voting through ballot paper shall be made available at the AGM and the

members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

IV. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

V. The remote e-voting period commences on 16<sup>th</sup> December, 2020 (9:00 am) and ends on 18<sup>th</sup> December, 2020 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11<sup>th</sup> December, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

VII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.

VIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

IX. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.priyagroup.com](http://www.priyagroup.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

**The process and manner for remote e-voting are as under:**

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

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

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

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

**Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is:**

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digits client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.



- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

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

For and on behalf of the Board  
**For Priya International Limited**

**P.V.Hariharan**  
**Whole-time Director**  
**DIN: 03196975**

Place : Mumbai  
 Date : 31<sup>st</sup> July, 2020



## ANNEXURE TO NOTICE

### Details of the Directors seeking appointment in the forthcoming Annual General Meeting

[Pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

#### 1. Mr. ADITYA BHUWANIA

Mr. Aditya Bhuwania, retires by rotation and is eligible for re-appointment of Director of the Company.

#### Educational Qualification:

Mr. Aditya Bhuwania is by qualification B.Sc. (Business Computer System) from Bradley University, Pearie, Illinois (U S A)

**Age:** 47 Years

#### Nature of experience in specific areas:

Hardware Industry

**Disclosure of inter-se relationships between directors and Key Managerial Personnel:** Son of Arunkumar Bhuwania & Saroj Bhuwania

#### Directorships and committee memberships in listed companies:

Mr. Aditya Bhuwania, is whole-time Director on the Board and member of Priya Limited.

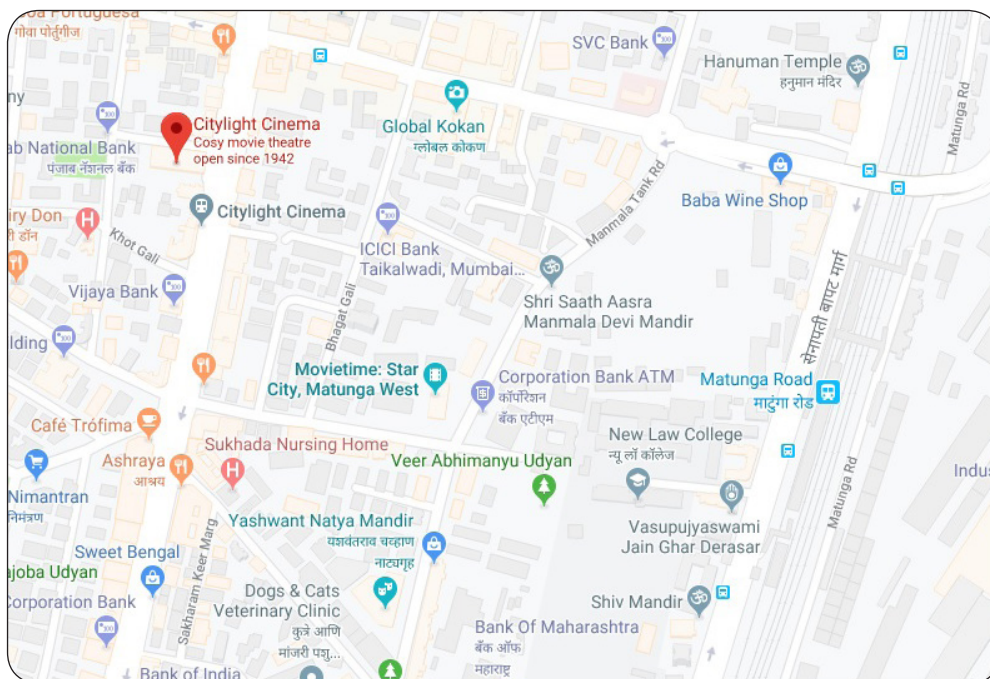
**Shareholding:** 1,06,350 equity shares in the Company.

### AGM Venue

#### “CITY LIGHT CINEMA BANQUETS HALL”

Ashford Chambers, 4<sup>th</sup> Floor, Lady Jamshedji Road, Mahim, Mumbai – 400016.

### MAP TO THE AGM VENUE



## DIRECTORS' REPORT

### TO THE MEMBERS OF

### PRIYA INTERNATIONAL LIMITED

The Directors present their **37<sup>th</sup> Annual Report** along with the Audited Financial Statement of Accounts for the financial year 2019-2020.

### FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year 2019-20 in comparison to the previous financial year 2018-19 are summarised as below:

(Rs. in Lakhs)

	Year Ended 31/03/2020	Year Ended 31/03/2019
<b>Revenue from operation</b>	1506.75	1235.48
<b>Other Income</b>	114.88	69.06
	<b>1621.63</b>	<b>1304.54.</b>
<b>Profit/ (Loss) before Tax</b>	<b>172.23</b>	<b>116.48</b>
Less: 1) Current Tax - for current year	53.29	23.38
- For earlier years	11.58	7.81
2) Deferred tax	(2.80)	2.77
<b>Profit/(Loss) After Tax</b>	<b>110.16</b>	<b>82.52</b>
Other Comprehensive Income	(75.77)	(10.27)
<b>Total Comprehensive Income</b>	<b>34.39</b>	<b>72.25</b>

The Company has prepared the financial statements in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

### DIVIDEND

Your Directors are pleased to recommend a dividend of Re.1.00 per share (i.e.@ 10%) on 9,96,000 Equity shares of Rs.10/- each for the financial year ended 31<sup>st</sup> March, 2020.

### DEPOSIT FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### TRANSFER TO RESERVES

No amount was transferred to the Reserves for the financial year ended 31<sup>st</sup> March, 2020.

### SHARE CAPITAL

The paid up equity capital as on 31<sup>st</sup> March, 2020 was Rs.99,60,000. During the year under review, the Company has not issued any form/types of securities.

The authorized share capital of the Company was Rs.1,00,00,000/- as on March 31, 2020.

### OPERATIONS

During the year under review the aggregate turnover of your Company was Rs.1506.75 Lakhs as compared to Rs.1235.48 Lakhs in the previous year. The Company has earned net profit of Rs.110.16 Lakhs in 2019-20 as compared to Rs.82.52 Lakhs in the previous year.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### I. COMPOSITION OF BOARD:

The Company has a Non-Executive Chairman and the Company has optimum combination of Executive and Non-Executive Directors. The Board comprises of three Independent Directors.

#### II. BOARD AND COMMITTEE MEETINGS:

None of the Directors on the Board is member of more than 10 committees or Chairman of more than 5 committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as at 31<sup>st</sup> March 2020 has been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting and also the number of other directorship and Committee membership held by them are given below:

Name	Designation	Attendance of AGM held on 27 <sup>th</sup> September, 2019	No. of Board Meetings held during the year 2019-20		No. of Directorship in all Companies	No. of Committee positions held	
			Held	Attended		Chairman	Member
A.K. Bhuwania	Chairman	No	5	3	1	0	2
R.K. Saraswat	Independent / Non-Executive Director	Yes	5	5	3	3	2
M.K.Arora	Independent / Non-Executive Director	Yes	5	5	3	1	3
Anuj Bhargava	Independent / Non-Executive Director	Yes	5	5	1	0	0
P.V. Hariharan	Whole Time Director	Yes	5	5	0	0	0
Aditya Bhuwania	Non-Independent/ Non-Executive Director	Yes	5	3	1	0	0
Saroj Bhuwania	Non-Independent/ Non-Executive Director	No	5	3	0	0	0

### III. NO. OF BOARD MEETING:

Five (5) Board Meeting were held during the year 2019-20 on 30.05.2019, 14.08.2019, 14.11.2019, 12.02.2020 and 02.03.2020. The gap between two meetings did not exceed 120 days.

### IV. RETIREMENT BY ROTATION:

In accordance with the provisions of section 152 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and the Articles of Association of the Company, Mr. Aditya Bhuwania, Director retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible has offered himself for re-appointment and your Board recommends his re-appointment.

The disclosures required pursuant to Regulation 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of the Secretarial Standard are given in the Notice of AGM, forming part of the Annual Report.

### V. KEY MANAGERIAL PERSONNEL (KMP):

In terms of Section 203 of the Act, the Key Managerial Personnel (KMPs) of the Company

during FY 2019-20 are:

Mr.Ghanshyam Vyas, Chief Financial Officer  
Mr.Akash Natani, Company Secretary & Compliance officer of the Company had resigned from the post of Company Secretary w.e.f. 7<sup>th</sup> June, 2019..

Mrs. Manisha Kudtarkar, has been appointed as Company Secretary & Compliance officer of the Company w.e.f. 2<sup>nd</sup> March, 2020.

### VI. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

The Independent Directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence as provided in sub section (6) and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### AUDIT:

#### 1) STATUTORY AUDIT:

M/s. Kanu Doshi Associates LLP, Chartered Accountants (ICAI Firm No.104746W/ W100096) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 34<sup>th</sup> Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting and he continues to be the Auditors of the Company.

The Auditors' Report to the Shareholders for the year under review does not contain any Qualification.

#### 2) INTERNAL AUDIT:

The Board of Directors based on the recommendation of the Audit Committee has re-appointed M/s. Haren Sanghvi & Associates., Chartered Accountants, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

#### 3) SECRETARIAL AUDITORS:

The Board has appointed M/S. CSP & Co. LLP., Company Secretaries in Practice, to carry out the Secretarial Audit under the provision of Section 204 of the Companies Act, 2013 for the financial year 2019-20. The report of the Secretarial Auditor is annexed to this report as (**Annexure-A.**)

The said Secretarial Audit Report mention following observation:

1. The vacancy in the office of the Company Secretary w.e.f. June 07, 2019 was filled on March 02, 2020, after the timeline as prescribed under the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
2. The Company has availed loans from Directors/ Financial Institution, which is subject to Compliance of provision of the Companies Act, 2013.
3. The Company has granted inter-corporate loans to Bodies Corporate, which is subject to Compliance of provision of the Companies Act, 2013.

On above observation made by the Secretarial Auditors in their report, your directors would like to state that:

1. After vacancy of the office of the Company Secretary of the Company the Directors of the Company had taken necessary steps to appoint a new Company Secretary as a result of which the Company had appointed a Company Secretary with effect from 2<sup>nd</sup> March, 2020.
2. The delay in filing of e-form at Registrar of Companies due to oversight. In which board will take necessary action.
3. The Board is taking necessary steps to file the e-Forms with Registrar of Companies.

#### **CHANGE IN NATURE OF BUSINESS**

There being no change in the nature of business of the company during the year.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in separate section forming part of the Annual Report (**Annexure-B**).

#### **CORPORATE GOVERNANCE**

In pursuant to Regulation 15 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Provision of Corporate Governance is not applicable to your Company.

#### **CORPORATE SOCIAL RESPONSIBILITY**

In pursuant to the provisions of section 135 of the Companies Act, 2013, Corporate Social Responsibility is not applicable to your company.

#### **DEMATERIALIZATION**

Your Company has tied up with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to enable the shareholders to trade and hold shares in an electronic/dematerialized form. The shareholders are advised to take benefits of dematerialization.

#### **BOARD EVALUATION AND COMMITTEE EVALUATION**

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provision of the Act and the SEBI Listing Regulations.

The Board evaluated its performance after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are as provided in the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The Chairman of the Board had one-on-one meetings with the Independent Directors and the Chairman of NRC had one-on-one meetings with the Executive and Non-Executive, Non-Independent Directors. These meetings were intended to obtain Directors' inputs on effectiveness of the Board/Committee processes.

The Board and the NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of Non- Independent Directors and the Board as a whole was evaluated. Additionally, they also evaluated the Chairman of the Board, taking into account the views of Executive and Non-Executive Directors in the aforesaid meeting.

The above evaluations were then discussed in the Board meeting and performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

#### **NOMINATION & REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

#### **MATERIAL CHANGES & COMMITMENTS**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the report.

The Company follows a policy on remuneration of Directors and senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board.

#### **SUBSIDIARY /JOINT VENTURE/ ASSOCIATE COMPANIES:**

The Company does not have any subsidiary/joint venture/Associate Companies.

#### **LISTING OF SHARES**

The Company's equity shares continue to be listed on Metropolitan stock Exchange of India Limited (MSEI) and The Calcutta Stock Exchange Ltd. (CSE). The listing fee for the financial year 2020-21 was duly paid to MSEI and CSE.

#### **INDEPENDENT DIRECTORS MEETING:**

Pursuant to the provisions of Schedule IV to the Act, a separate meeting of the Independent Directors of the Company was convened on February 12, 2020, without the presence of Non-Independent Directors and Members of Management, to consider, inter alia, the following:

- review the performance of Non-Independent Directors and the Board as a whole;
- review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present in the Meeting and the Meeting was chaired by Mr. R. K. Saraswat.

#### **COMPOSITION OF THE COMMITTEES OF THE BOARD:**

There are currently Two Committees of the Board, as under:

#### **AUDIT COMMITTEE**

During the year (4) Four Audit Committee Meetings held i.e. 30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 14<sup>th</sup> November, 2019 and 12<sup>th</sup> February, 2020.

Name	Designation	Category	No. of Meetings	
			Held	Attended
Mr. R. K. Saraswat	Chairman	Independent / Non-Executive Director	4	4
Mr. M. K. Arora	Member	Independent / Non-Executive Director	4	4
Mr. A. K. Bhuwania	Member	Non Executive Chairman	4	2

#### **NOMINATION AND REMUNERATION COMMITTEE**

- During the year (3) Three Nomination & Remuneration Committee Meetings held i.e. 30<sup>th</sup> May, 2019, 12<sup>th</sup> February, 2020 and 2<sup>nd</sup> March, 2020.

Name	Designation	Category	No. of Meetings	
			Held	Attended
Mr. M. K. Arora	Chairman	Independent / Non-Executive Director	3	3
Mr. R.K. Saraswat	Member	Independent / Non-Executive Director	3	3
Mr. A. K. Bhuwania	Member	Non Executive Chairman	3	2
Mr. Anuj Bhargava	Member	Independent / Non-Executive Director	3	3



**ii) Remuneration Policy**

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The remuneration policy is in consonance with the existing practice in the Industry.

**iii) Remuneration of Directors**
**A. Non Executive Director's Remuneration**

The Non Executive Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Audit Committee Meeting. The Criteria of making payments to Non-Executive Directors is posted on the Company's website at [www.priyagroup.com](http://www.priyagroup.com). The payment of remuneration by way of sitting fees is as under:

Name of Director	Category	Sitting Fees* (Rs.)
Mr. A. K. Bhuwania	Promoter/ Non-Executive Chairman	Nil
Mr. R. K. Saraswat	Independent/ Non Executive Director	60,000
Mr. M. K. Arora	Independent/ Non Executive Director	60,000
Mr. Anuj Bhargava	Independent/ Non Executive Director	30,000
<b>Total</b>		<b>1,50,000</b>

\*Includes fees for Audit Committee Meetings.

**B. Executive Director's Remuneration**

The Whole Time Directors (designated as Executive Directors) are being paid in accordance with and subject to the limits laid down in the Schedule V of the Companies Act, 2013. The remuneration to the Whole Time Directors are approved by the Board of Directors and subsequently ratified by the shareholders in their general meeting. The payment of remuneration to Executive Director is as under:

Name of Director	Category	Remuneration (Rs.)
Mr. P.V.Hariharan	Whole-time Director	48,05,000
<b>TOTAL</b>		<b>48,05,000</b>

1. The Company does not have policy of paying commission on profits to any of the Directors of the Company.
2. No such performance linked incentive are given to the Directors of the Company.
3. Presently, the Company does not have a scheme for grant of stock options either to the whole-time Directors or Employees of the Company.
4. There is no separate provision for payment of severance fees.

**GENERAL BODY MEETING:**

The 36<sup>th</sup> Annual General Meeting (AGM) was held on 27<sup>th</sup> September, 2019 and the proceedings of the above Meetings were properly recorded and signed in the Minutes Book maintained for the purpose.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **(Annexure-C)**.

Pursuant to Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is provided in **(Annexure -C)** to this Report and is also available on the Company's website URL: <https://www.priyagroup.com/investors/annual-return/>.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

**COMPLIANCE WITH SECRETARIAL STANDARDS**

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, as applicable to the Company, have been duly complied with.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

## **UNPAID /UNCLAIMED DIVIDEND**

Pursuant to Section 124 of the Companies Act, 2013, unclaimed dividend for the financial year 2011-12 have been transferred by the Company to the Investor Education and Protection Fund established by Central Government. Details of unpaid and unclaimed amounts lying with the Company have been uploaded on the Company's website.

## **DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has always provided a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company is actively involved in ensuring that the employees/resources are aware of the provisions of the POSH Act and rights thereunder.

The Company has constituted an Internal Committee (IC) as required under POSH Act and the constitution of the committee is in compliance with the said Act.

The Company has also adopted Anti-Sexual Harassment Policy in place which is in line with requirements of the POSH Act, 2013 and is fully committed to uphold and maintain the dignity of every women executive working in the Company. The Company's Policy provides for protection against sexual harassment at workplace

and for prevention and redressal of such complaints.

Number of complaints pending as on the beginning of the financial year: 0

Number of complaints filed during the financial year: 0

Number of complaints pending as on the end of the financial year: 0

## **RELATED PARTY TRANSACTIONS**

All material related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Your Directors draw attention of the members to Note No.36 to the financial statement which sets out related party disclosures.

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

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company.

## **DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is already adopted.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

## **DIRECTORS RESPONSIBILITY STATEMENT**

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

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view



of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;

- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

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

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

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

##### **CONSERVATION OF ENERGY:**

- i) the steps taken or impact on conservation of energy  
The Company continues to accord high priority to conservation of energy by opting for more power effective replacements of equipments and electrical installations.
- ii) the steps taken by the company for utilising alternate sources of energy: None
- iii) the capital investment on energy conservation equipments: None

##### **TECHNOLOGY ABSORPTION:**

- i) the efforts made towards technology absorption:  
The Company continues to utilize the R & D facilities available with it.
- ii) the benefits derived like product improvement, cost reduction, product development or import substitution: None
- iii) Particulars of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): None
- iv) the expenditure incurred on Research and Development: None

##### **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The relevant information in respect of the foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended on 31<sup>st</sup> March, 2020.

##### **PARTICULARS OF EMPLOYEES:**

Information required under Section 197(12) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

- (i) Percentage increase in remuneration of each Director, CFO and CS:

Name	Designation	% increase
P. V. Hariharan	Whole Time Director	6
Ghanshyam Vyas	Chief Financial Officer	14
Akash Natani/ Manisha Kudtarkar	Company Secretary	0

- (ii) The number of permanent employees: 16
- (iii) Average percentile increase made in the salaries of employees other than key 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 made in the salaries of employees other than key managerial personal during the year is 6% versus no increase in managerial remuneration.

There are no other exceptional circumstances for increase in the remuneration of key managerial personal and increase in remuneration has been in accordance with the Company's policies.

- (iv) The Company affirms that the remuneration is as per the remuneration policy of the Company.

#### COVID-19 AND ITS IMPACT

The chemicals industry is likely to feel the impact of the Coronavirus (COVID-19) pandemic from every direction. Supply chains are being disrupted by outbreaks in key regions, demand fall due to uncertainty in global economy and capital markets. The impact of the COVID-19 crisis on petrochemicals and chemicals sector will differ across value chain. The lockdown has adversely affected the demand for chemicals and petrochemicals owing to decline in consumption and shutting down of Manufacturing plants, supply chains and distribution networks. The Board and Management doing their best to overcome from this situation.

#### APPRECIATION & ACKNOWLEDGEMENTS

Your Directors take place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Directors also take this opportunity to thank all Investors, Customers, Bankers, Regulatory bodies, Stakeholders including financial Institutions and other business associates who have extended their valuable sustained support and encouragement during the year under review.

For and on behalf of the Board  
For **Priya International Limited**

**P. V. Hariharan**  
Whole Time Director  
DIN: 03196975

**Aditya Bhuwania**  
Director  
DIN: 00018911

Place : Mumbai  
Date : 31<sup>st</sup> July, 2020

#### ANNEXURE-A

#### 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 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,

The Members,

**PRIYA INTERNATIONAL LIMITED**

**4<sup>th</sup> Floor, Kimatrai Building, 77-79**

**Maharshi Karve Marg, Marine Lines (E), Mumbai 400 002**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRIYA INTERNATIONAL LIMITED** (hereinafter called 'the Company') for the audit period from April 1, 2019 to March 31, 2020, ('the year' / 'audit period' / 'period under review').

Secretarial Audit was conducted in a manner that provided me reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me 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, I hereby report that in my opinion, the Company has, during the 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:

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

- (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') with amendments thereon :-
  - 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 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 (Buy Back 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; I have also examined compliance by the Company with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreements entered into by the Company with the Metropolitan Stock Exchange of India Limited and The Calcutta Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In case of Direct and Indirect Tax Laws like Income Tax Act, Goods and Service Tax Act, I have relied on the Reports given by the Statutory Auditors of the Company.

#### **I further report that;**

As on March 31, 2020, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as per SEBI (Listing Obligations and Disclosure Requirements), 2015 and in accordance with the provisions of Section 152 of the Companies Act, 2013. 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 the directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where the meeting was held at a shorter notice), and there is a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

There were no dissenting views by any member of the Board of Directors during the period under review.

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.

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

1. **The vacancy in the office of the Company Secretary w.e.f. June 07, 2019 was filled on March 02, 2020, after the timeline as prescribed under the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.**
2. **The Company has availed loans from Directors/ Financial Institution, which is subject to compliance of provision of the Companies Act, 2013.**
3. **The Company has granted inter-corporate loans to Bodies Corporate, which is subject to compliance of provision of the Companies Act, 2013.**

**I further report that;**

Based on the representation(s) obtained from the Company, during the audit period there were no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For CSP & CO LLP,  
Company Secretaries**

**Sanjay Pandurang Parab  
Designated Partner  
Membership No: 6613**

**Place: Mumbai CP No: 7093  
Date: July 31, 2020 UDIN: F006613B000536615**

*The above report is subject to the review of the Audited Financial Statements for the year ended March 31, 2020 with Auditor's Report and reports of concurrent auditor. Further, this report is to be read with our letter of even date which is annexed as 'Annexure A and B' and forms an integral part of this report.*

**Annexure A**

**Under Companies Act, 2013**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended March 31, 2020.
3. Minutes of the meetings of the Board of Directors, Audit, Nomination & Remuneration, Stakeholders Relationship Committee, along with Attendance Register held during the financial year under report.
4. Minutes of General Meetings held during the financial year ended March 31, 2020 under report.
5. Statutory Registers as per the Companies Act 2013.
6. Notice, Agenda papers submitted to all the Directors / Members for the Board and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 149(6) & (7), 164 and Section 184 of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
9. Various Policies framed by the Company required under the Companies Act, 2013
10. Documents pertaining to appointment, resignation of Directors and Key Managerial Personnel.
11. Other relevant documents as required to be maintained and published on website by the Company.
12. Show Cause Notices and other letters issued by the SEBI, Stock Exchanges or other regulators.

*Due to lockdown and social distancing guidelines issued by the Ministry of Home Affairs (MHA,) on different dates, for containment of spread of COVID-19, the abovementioned documents, registers, forms, minutes, etc. have not been physically verified by us, as maintained by the Company at their offices. However, we have taken all possible steps to verify the records, as made available to us by the Company through electronic medium and has also taken confirmation from the Company, wherever required.*

**Annexure B**

To,  
The Members,

**PRIYA INTERNATIONAL LIMITED**

Secretarial Audit Report of Priya International Limited is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Priya International Limited (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records were produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
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.

**For CSP & CO LLP,  
Company Secretaries**

**Sanjay Pandurang Parab  
Designated Partner  
Membership No: 6613**

**Place: Mumbai**

**CP No: 7093**

**Date: July 31, 2020 UDIN: F006613B000536615**

**ANNEXURE-B****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****1. INDUSTRY STRUCTURE AND DEVELOPMENTS:**

There was a decline in the global economy to 2.9% in 2019 as compared to 3.6% in 2018, due to an increase in global trade disputes and slowdown of the manufacturing sector, coupled with a global financial crisis. Global chemical production is forecasted to grow by 2.7% in 2020 but the COVID 19 pandemic will be a spoil sport worldwide which can impact various sectors. There is a big slowdown in the Indian economic scenario

The Indian Dyestuff Industry has transformed from being import dependent to an export driven industry. Today, India exports dyes to the very same countries from which it was dependent for imports few decade ago. Dyes and Pigment group constitute one of the major components of chemical industry having vital role in the growing Indian economy. Your Company export intermediates having its customer base in several industries such as Textile, Leather, Ink, Coatings, Plastic, Paper etc. As merchant exporter we have our own limitations but we manage with our core strengths.

IGST on commissions earned along with shrinking business and overall IT burden on revenues generated has a significant influence of the revenues of your company. Also the strong competition from Chinese source of supplies are influencing the overall pricing from our supply sources which in turn puts pressure on our commission revenues.

The distribution business was steady during the year as the demands from the end use industry was showing improvement signs.

**2. OPPORTUNITIES AND THREATS:**

As a step towards reducing the emissions and managing waste properly, the Chinese government laid down various stringent measures. This has led to an increase in the compliance cost. The Chinese government also declared some areas of the Yangtze river as a protected zone, mandating no factories to be built within the 1 kilometre of the river. These measures are expected to eliminate smaller companies from China. And the decreasing chemical production from Chinese companies is anticipated to shift the demand to other countries. These developments augur well for the Indian Dyestuff industry. Your company will participate in this growth by i) broadening its market reach in new geographies, ii) increasing its working capital efficiencies and iii) introducing new dyes, pigments and products for non-textile applications.



There is an increasing thinking in all industries to find alternative sources for Chinese raw materials. This would open up opportunities for sourcing from Europe and other Asian countries. Customers may even consider paying small premiums to source products outside China. This will be a good opportunity but the threat is China may become more aggressive in the market by dropping their prices drastically to defend their business.

### 3. SEGMENT-WISE PERFORMANCE:

#### Indenting Division:

We observed a fall in the indent business as some projects which were expected to take off went slow and also the export oriented demands were low. There will be a big challenge to this business as we have to wait and watch how the exports of various industries will work out post the pandemic. The demands of various raw materials will depend on the development of exports. The initial indications are not very positive.

The segment result, before adjustment for unallocated expenses (net) and provisions for taxation, marginally decreased to Rs.(144.66) Lakh as compared to Rs.(161.59) Lakh in the previous year.

#### Chemical Division:

Exports of dye intermediates picked up during the year which helped in generating revenues. In the local distribution business, we could get price increase from the end customers though some of them moved to cheaper priced alternatives.

The year ahead looks more challenging as a good part of the present year has seen low demands due to pandemic both on export as well as local distribution business.

The segment result, before adjustment for unallocated expenses (net) and provisions for taxation, marginally increased to Rs.157.47 Lakh as compared to Rs.118.10 Lakh in the previous year.

### 4. OUTLOOK:

Extremely challenging times ahead to sustain existing business and introduce new products in the market both local and export.

### 5. RISKS AND CONCERNS:

Due to pandemic the year has started at a slow pace and the demands in general have fallen. Have to wait and watch how the business will take shape.

### 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your company has adequate internal control system including suitable procedures which commensurate with its size and the nature of the

business. The Company's appropriate internal control systems for business processes, with regard to efficiency of operations, financial reporting, compliance with applicable laws and regulations ensure that all assets are protected against losses and unauthorized use. Regular internal audits and checks ensure that responsibilities are executed efficiently. No significant internal control lapses were identified.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them from time to time.

### 7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The Company has achieved a sales turnover of Rs.1506.75 Lakhs in the year 2019-20 as Compared Rs.1233.38 Lakhs in 2018-19. The Company has earned profit after tax and exceptional item of Rs.110.16 Lakh in 2019-20 as compared to Rs.82.52 Lakh in the previous year.

### 8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

#### HUMAN RESOURCES:

All the employee of your Company are covered under Group Insurance scheme, the premium of which is borne by the company. The Company has incentive schemes for its marketing staff, which acts as a morale booster and driving force for the employees to perform better. The Company has initiated various HR strategies to attract, motivate, develop and retain staff in order to make it a productive workplace. Employee training and development, Employee Selection and Recruitment, Employee Engagement and rewards, Performance Appraisal and communication are the critical issues HR targets to accomplish.

#### CAUTIONARY STATEMENT

The projections made in this report may constitute forward-looking statements within the meaning of applicable laws and regulations. However, actual results may differ from those expressed in this report due to the influence of external and internal factors that are beyond the control of the Company such as demand, supply, climatic conditions, economic conditions, political scenario, government regulations and policies, taxation and other conditions.

**ANNEXURE -C**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2020**

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

**I. REGISTRATION & OTHER DETAILS**

<b>CIN</b>	L99999MH1983PLC086840
<b>Registration Date</b>	05/05/1983
<b>Name of the Company</b>	PRIYA INTERNATIONAL LIMITED
<b>Category/Sub-category of the Company</b>	Company Limited by shares
<b>Address of the Registered office &amp; contact details</b>	4 <sup>th</sup> Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E) Mumbai 400002. Tel. 91-22-4220 3100, Fax- 91-22-4220 3197
<b>Whether listed company</b>	Yes
<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	Bigshare Services Pvt. Ltd., 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059. Tel. 91-22-6263 8200, Fax- 91-22-6263 8299.

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

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Chemical	996117	100%

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

SN	Name and Address of the Company	CIN/ GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Not Applicable				

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

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,93,750	0	1,93,750	19.45	1,93,750	0	1,93,750	19.45	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(1):-</b>	<b>1,93,750</b>	<b>0</b>	<b>1,93,750</b>	<b>19.45</b>	<b>1,93,750</b>	<b>0</b>	<b>1,93,750</b>	<b>19.45</b>	<b>0.00</b>
(2) Foreign									
a) NRIs- Individuals	5,53,250	0	5,53,250	55.55	5,53,250	0	5,53,250	55.55	0.00



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>5,53,250</b>	<b>0</b>	<b>5,53,250</b>	<b>55.55</b>	<b>5,53,250</b>	<b>0</b>	<b>5,53,250</b>	<b>55.55</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>7,47,000</b>	<b>0</b>	<b>7,47,000</b>	<b>75.00</b>	<b>7,47,000</b>	<b>0</b>	<b>7,47,000</b>	<b>75.00</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(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 Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	300	0	300	0.03	300	0	300	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	64,847	53,350	1,18,197	11.87	67,547	50,250	1,17,797	11.83	(0.04)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	70,973	0	70,973	7.13	70,973	0	70,973	7.13	0.00
c) Others (specify)									
Hindu Undivided Family	36,230	0	36,230	3.64	36,230	0	36,230	3.64	0.00
Directors Relatives	0	14,400	14,400	1.45	0	14,400	14,400	1.45	0.00
IEPF Suspense A/C	8900	0	8900	0.89	9,300	0	9,300	0.93	0.04
<b>Sub-total (B)(2):-</b>	<b>1,81,250</b>	<b>67,750</b>	<b>2,49,000</b>	<b>25.00</b>	<b>1,84,350</b>	<b>64,650</b>	<b>2,49,000</b>	<b>25.00</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1,81,250</b>	<b>67,750</b>	<b>2,49,000</b>	<b>25.00</b>	<b>1,84,350</b>	<b>64,650</b>	<b>2,49,000</b>	<b>25.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>9,28,250</b>	<b>67,750</b>	<b>9,96,000</b>	<b>100.00</b>	<b>9,31,350</b>	<b>64,650</b>	<b>9,96,000</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ashish Bhuwania	1,36,100	13.66	0.00	1,36,100	13.66	0.00	0.00
2	Aditya Bhuwania	1,06,350	10.68	0.00	1,06,350	10.68	0.00	0.00
3	Arun Kumar Bhuwania	92,750	9.31	0.00	92,750	9.31	0.00	0.00
4	Mini Bhuwania	66,200	6.65	0.00	66,200	6.65	0.00	0.00
5	Shruti Bhuwania	60,600	6.08	0.00	60,600	6.08	0.00	0.00
6	Saroj Bhuwania	2,58,200	25.93	0.00	2,58,200	25.93	0.00	0.00
7	Arunkumar Bhuwania(HUF)	26,800	2.69	0.00	26,800	2.69	0.00	0.00
	<b>TOTAL</b>	<b>7,47,000</b>	<b>75.00</b>	<b>0.00</b>	<b>7,47,000</b>	<b>75.00</b>	<b>0.00</b>	<b>0.00</b>

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

Sr. 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
	At the beginning of the year	No changes in Promoters shareholding during the year			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No changes in Promoters shareholding during the year			
	At the end of the year	No changes in Promoters shareholding during the year			

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Niteshkumar S Gupta HUF	35,000	3.51	35,000	3.51
2	Rina Poddar	27,779	2.78	27,779	2.78
3	Kailashidevi Babulal Agarwal	0	0.00	15000	1.50
4	Rajratan Babulal Agarwal	15000	1.50	0	0.00
5	Mridula Vishnukumar Poddar	14,097	1.41	14,097	1.41
6	Swapna Anuj Poddar	14,097	1.41	14,097	1.41
7	Investor Education and Protection Fund Authority (MCA)	8900	0.89	9300	0.93
8	Lalit Kumar Daga	8,126	0.81	8,126	0.81
9	Shailesh Daga	7,463	0.74	7,463	0.74
10	Rashmi Daga	7,048	0.70	7,048	0.70
11	Indu Osatwal	6,500	0.65	6,500	0.65

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>A.</b>	<b>DIRECTORS</b>				
1	Arunkumar Bhuwania - Chairman	92,750	9.31	92,750	9.31
2	Aditya Bhuwania	1,06,350	10.68	1,06,350	10.68
3	Saroj Bhuwania	2,58,200	25.93	2,58,200	25.93
4	P. V. Hariharan- Whole Time Director	10,000	1.00	10,000	1.00
5	R. K. Saraswat	0	0.00	0	0.00
6	M. K. Arora	0	0.00	0	0.00
7	Anuj Bhargava	0	0.00	0	0.00
<b>B.</b>	<b>KEY MANAGERIAL PERSONNEL</b>				
1	Ghanshyam Vyas - Chief Financial Officer	200	0.00	200	0.00
2	Akash Natani/ Manisha Kudtarkar- Company Secretary	0	0.00	0	0.00

## V. INDEBTEDNESS

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

(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3.93	154.46	0	158.39
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	1.86	0	1.86
<b>Total (i+ii+iii)</b>	<b>3.93</b>	<b>156.32</b>	<b>0</b>	<b>160.25</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0.00	50.16	0	50.16
* Reduction	3.93	77.95	0	81.88
<b>Net Change</b>	<b>3.93</b>	<b>(27.79)</b>	<b>0</b>	<b>(23.85)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	126.89	0	126.89
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	1.55	0	1.55
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>128.44</b>	<b>0</b>	<b>128.44</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>P. V. Hariharan- WTD</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48.05	<b>48.05</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0	0
5	Others, please specify	0	0
	Total (A)	48.05	48.05
	Ceiling as per the Act		

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	R. K. Saraswat	M. K. Arora	Anuj Bhargava	
	Fee for attending board committee meetings	60,000	60,000	30,000	1,50,000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	60,000	60,000	30,000	<b>1,50,000</b>
2	Other Non-Executive Directors	A. K. Bhuwania	Saroj Bhuwania	-	
	Fee for attending board committee meetings	0	0	-	0
	Commission	0	0	-	0
	Others, please specify	0	0	-	0
	Total (2)	0	0	-	0
	Total (B)=(1+2)	60,000	60,000	30,000	<b>1,50,000</b>
	Total Managerial Remuneration				<b>49.55 Lacs</b>
	Overall Ceiling as per the Act				

**C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD**

(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS-Akash Natani & CS Manisha kudtarkar	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		0.50	11.37	11.87
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0	0	0
2	Stock Option	Not Applicable	0	0	0
3	Sweat Equity		0	0	0
4	Commission				
	- as % of profit		0	0	0
	others, specify...		0	0	0
5	Others, please specify		0	0	0
	Total		0.50	11.37	11.87

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

## INDEPENDENT AUDITORS' REPORT

### To the Members of PRIYA INTERNATIONAL LIMITED

### Report on the Audit of the Financial Statements Opinion

We have audited the Financial Statements of **PRIYA INTERNATIONAL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in

the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

### Other Information

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

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

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

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

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial

Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the

company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be



communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Financial Statements have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Financial Statements.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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 does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any material foreseeable losses on long-term contracts including derivatives contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

**For Kanu Doshi Associates LLP**

Chartered Accountants

FRN. No. 104746W/W100096

**Kunal Vakharia**

Partner

Place: Mumbai

Membership no. 148916

Date: July 31, 2020 UDIN:20148916AAAADF9629

## **ANNEXURE A TO THE AUDITOR'S REPORT**

Referred to in paragraph 2 of '**Report on other Legal and Regulatory Requirements**' in our Report of even date on the accounts of **PRIYA INTERNATIONAL LIMITED** for the year ended March 31, 2020

- i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records have been properly dealt with in the books of accounts.
- iii. As informed to us, The Company has granted unsecured loan to a Company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
  - (a) The terms and conditions of granting of such loans are not prejudicial to the interest of the company.
  - (b) The Company has given a loan for longer duration out of which no repayment installation falls due in the current year and there are overdue balances in payment of interest amounting to Rs. 60.02 Lakhs.
- (c) In respect of overdue amount of interest outstanding for more than ninety days, in our opinion, reasonable steps have been taken by the Company for the recovery of the overdue interest.
- iv. According to information and explanation provided to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the companies Act, 2013.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-Section (1) of Section 148 of the Companies Act, for any of the products of the Company.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Excise Duty, Customs Duty, Cess, Goods & Service Tax and any other material statutory dues applicable to it.
- (b) There are no disputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, GST, Custom Duty, Value Added Tax, Cess and any other material statutory dues in arrears, as at March 31, 2020.
- viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders as at the Balance Sheet date.
- ix. The Company has not raised any money by way of public issue/ further offer (including debt instruments) and through term loans during the year. Accordingly, clause 3(ix) of the order is not applicable to the Company.
- x. Based upon the audit procedures performed and information and explanation given by the management, we report that no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- xvi. The company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

**For Kanu Doshi Associates LLP**

Chartered Accountants  
FRN. No. 104746W/W100096

**Kunal Vakharia**

Partner

Place: Mumbai                      Membership no. 148916  
Date: July 31, 2020 UDIN:20148916AAAADF9629

## **ANNEXURE B TO THE AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of **PRIYA INTERNATIONAL LIMITED** ("the Company") as of March 31, 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 Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

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

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

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

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Kanu Doshi Associates LLP**

Chartered Accountants  
FRN. No. 104746W/W100096

**Kunal Vakharia**

Partner

Place: Mumbai

Membership no. 148916

Date: July 31, 2020 UDIN:20148916AAAADF9629

**BALANCE SHEET AS AT 31ST MARCH, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	AS AT March 31, 2020	AS AT March 31, 2019
<b>I ASSETS</b>			
<b>(1) Non - current assets</b>			
(a) Property, plant and equipment	3	11.24	14.84
(b) Right to use Assets	-	47.66	-
(c) Financial assets			
(i) Investments	4	38.47	149.61
(ii) Loans	5	948.50	753.00
(iii) Other financial assets	6	90.37	71.28
(d) Deferred tax assets (net)	7	54.45	53.48
(e) Other tax assets (net)	8	-	9.68
<b>Total Non - Current Assets</b>		<b>1,190.69</b>	<b>1,051.89</b>
<b>(2) Current assets</b>			
(a) Inventories	9	139.83	191.61
(b) Financial assets			
(i) Trade receivables	10	241.85	232.26
(ii) Cash and cash equivalents	11	18.51	11.99
(iii) Bank balances other than (ii) above	12	1.49	1.49
(iv) Other financial assets	13	65.50	33.32
(c) Other current assets	14	38.66	10.31
<b>Total Current Assets</b>		<b>505.84</b>	<b>480.98</b>
<b>TOTAL ASSETS</b>		<b>1,696.53</b>	<b>1,532.87</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	15	99.60	99.60
(b) Other equity	16	940.13	917.75
<b>Total Equity</b>		<b>1,039.73</b>	<b>1,017.35</b>
<b>LIABILITIES</b>			
<b>(1) Non - current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	59.15	79.66
(ii) Lease Liabilities	-	7.50	-
(b) Provisions	18	96.01	92.89
<b>Total Non - Current Liabilities</b>		<b>162.66</b>	<b>172.55</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	19	230.75	160.79
(ii) Other financial liabilities	20	75.97	84.33
(iii) Lease Liabilities	-	42.02	-
(b) Other current liabilities	21	11.32	6.92
(c) Provisions	22	99.22	90.93
(d) Current tax liabilities (net)	23	34.86	-
<b>Total Current Liabilities</b>		<b>494.14</b>	<b>342.97</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,696.53</b>	<b>1,532.87</b>
Company profile	1		
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements.			

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

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP****CHARTERED ACCOUNTANTS****Firm Registration Number : 104746W/W100096****FOR AND ON BEHALF OF THE BOARD**
**KUNAL VAKHARIA**  
**PARTNER**  
**MEMBERSHIP NO. 148916**
**P.V.HARIHARAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 03196975**
**ADITYA BHUWANIA**  
**DIRECTOR**  
**DIN: 00018911**
**PLACE : MUMBAI**  
**DATED : 31st July, 2020**
**GHANSHYAM VYAS**  
**CHIEF FINANCIAL OFFICER**
**MANISHA KUDTARKAR**  
**COMPANY SECRETARY**

**STATEMENT OF PROFIT AND LOSS FOR PERIOD 31ST MARCH, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

<b>Particulars</b>	<b>Note No.</b>	<b>2019-20</b>	<b>2018-19</b>
Revenue from operations	24	1,506.75	1,235.48
Other income	25	114.88	69.06
<b>Total Revenue</b>		<b>1,621.63</b>	<b>1,304.54</b>
<b>Expenses:</b>			
Purchases of stock - in - trade	26	939.47	793.21
Changes in inventories of stock - in - trade	27	51.78	(69.10)
Employee benefit expenses	28	180.28	198.10
Finance costs	29	30.95	17.43
Depreciation & amortization expense	30	29.33	5.91
Other expenses	31	217.59	242.51
<b>Total Expenses</b>		<b>1,449.40</b>	<b>1,188.06</b>
Profit before tax		172.23	116.48
Less: Tax expense			
(1) Current tax			
for current year		53.29	23.38
for earlier years		11.58	7.81
(2) Deferred tax		(2.80)	2.77
<b>Total Tax Expenses</b>		<b>62.07</b>	<b>33.96</b>
Profit after tax	A	<b>110.16</b>	<b>82.52</b>
Other Comprehensive Income			
A. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B. (i) Items that will not be reclassified to profit or loss		(73.94)	(6.10)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.83)	(4.17)
Total Other Comprehensive Income for the year	B	<b>(75.77)</b>	<b>(10.27)</b>
Total Comprehensive Income for the year	(A+B)	<b>34.39</b>	<b>72.25</b>
Earning per equity share (Face Value of Rs. 10/- each)	32		
(1) Basic		11.06	8.29
(2) Diluted		11.06	8.29
Summary of significant accounting policies	2		

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

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP**
**CHARTERED ACCOUNTANTS**
**Firm Registration Number : 104746W/W100096**
**FOR AND ON BEHALF OF THE BOARD**
**KUNAL VAKHARIA**  
**PARTNER**  
**MEMBERSHIP NO. 148916**
**P.V.HARIHARAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 03196975**
**ADITYA BHUWANIA**  
**DIRECTOR**  
**DIN: 00018911**
**PLACE : MUMBAI**  
**DATED : 31st July, 2020**
**GHANSHYAM VYAS**  
**CHIEF FINANCIAL OFFICER**
**MANISHA KUDTARKAR**  
**COMPANY SECRETARY**



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

**2019-20**
**2018-19**
**A) CASH FLOW FROM OPERATING ACTIVITIES**

Net Profit before tax	172.23	116.48
Adjustment for :		
Dividend received	(0.06)	(3.11)
Depreciation	4.19	5.91
Reclassification of remeasurement of employee benefits	8.21	16.82
Effect of lease account- Ind as 116	1.87	-
Interest income	(113.09)	(65.20)
Interest expense	24.85	16.28
Sundry balance written off (net)	0.23	0.08
Exchange rate fluctuation (net)	(0.11)	4.69
	(73.91)	(24.53)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>98.32</b>	<b>91.95</b>

**ADJUSTMENTS FOR WORKING CAPITAL CHANGES :**

Inventories	51.78	(15.44)
Trade receivables	(11.74)	(31.57)
Other financial assets	(1.45)	6.29
Other current assets	(28.36)	(5.75)
Other non current financial assets	(19.09)	1.79
Trade payable	72.21	(17.74)
Other financial liabilities	(2.25)	2.25
Other current liabilities	4.18	(8.13)
Short term provisions	8.30	(17.04)
Long term provisions	3.12	6.94
	76.70	(78.40)
Cash generated from operations	175.02	13.55
Direct taxes paid (net of refund)	20.33	47.14
<b>NET CASH GENERATED / (LOST) FROM (IN) OPERATING ACTIVITIES</b>	<b>154.69</b>	<b>(33.59)</b>

**B) CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of fixed assets	(0.60)	-
Inter corporate deposit	(195.50)	(173.00)
Sale of fixed assets	-	1.26
	28.99	
Interest received	82.36	67.11
Dividend received	0.06	3.11
	(84.69)	(101.52)
<b>NET CASH IN INVESTING ACTIVITIES</b>	<b>(84.69)</b>	<b>(101.52)</b>

**C) CASH FLOW FROM FINANCING ACTIVITIES**

Interest paid	(25.16)	(14.41)
Dividend paid (including dividend tax)	(12.00)	(12.03)
Proceeds from borrowings	50.16	154.46
Repayment of borrowings	(76.48)	(3.64)
	(63.48)	124.38
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(63.48)</b>	<b>124.38</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS(A+B+C)</b>	<b>6.52</b>	<b>(10.73)</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>11.99</b>	<b>22.72</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>18.51</b>	<b>11.99</b>
	<b>6.52</b>	<b>(10.73)</b>

**Notes**

1 CASH &amp; CASH EQUIVALENTS INCLUDES (Refer Note No. 11) :

Cash in hand	0.03	0.14
<u>Balance with scheduled banks</u>		
In current account	18.48	11.85
	<b>18.51</b>	<b>11.99</b>

2 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

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

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP****CHARTERED ACCOUNTANTS****Firm Registration Number : 104746W/W100096****FOR AND ON BEHALF OF THE BOARD**
**KUNAL VAKHARIA**  
**PARTNER**  
**MEMBERSHIP NO. 148916**
**P.V.HARIHARAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 03196975**
**ADITYA BHUWANIA**  
**DIRECTOR**  
**DIN: 00018911**
**PLACE : MUMBAI**  
**DATED : 31st July, 2020**
**GHANSHYAM VYAS**  
**CHIEF FINANCIAL OFFICER**
**MANISHA KUDTARKAR**  
**COMPANY SECRETARY**



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

**(a) Equity Share Capital**

Particulars	No. of shares	Amount
<b>Balance at at 1st April, 2018</b>	<b>9,96,000</b>	<b>99.60</b>
Changes in equity share capital during the year	-	-
<b>Balance at at 31st March, 2019</b>	<b>9,96,000</b>	<b>99.60</b>
Changes in equity share capital during the year	-	-
<b>Balance at at 31st March, 2020</b>	<b>9,96,000</b>	<b>99.60</b>

**(b) Other Equity**

Particulars	Reservers and Surplus		Other items of Other comprehensive income		Total
	General Reserve	Retained Earnings	Remeasurement of net defined benefit plans	Fair Value through Other Comprehensive Income of Equity Investments	
<b>Balance at at 1st April, 2018</b>	103.63	570.91	8.07	174.90	<b>857.51</b>
Profit for the year	-	82.52	-	-	82.52
Final Dividend Paid	-	(9.96)	-	-	(9.96)
Tax on Dividend	-	(2.05)	-	-	(2.05)
Remeasurements of Defined Benefit Plan	-	-	12.65	-	12.65
Fair Value effect of Investments of shares	-	-	-	(22.92)	(22.92)
<b>Balance at at 31st March, 2019</b>	<b>103.63</b>	<b>641.42</b>	<b>20.72</b>	<b>151.98</b>	<b>917.75</b>
Profit for the year	-	110.16	-	-	110.16
Final Dividend Paid	-	(9.96)	-	-	(9.96)
Tax on Dividend	-	(2.05)	-	-	(2.05)
Remeasurements of Defined Benefit Plan	-	-	6.38	-	6.38
Fair Value effect of Investments of shares	-	-	-	(71.85)	(71.85)
Fair Value effect of Investments of shares sold during year	-	-	-	(10.30)	(10.30)
<b>Balance at at 31st March, 2020</b>	<b>103.63</b>	<b>739.57</b>	<b>27.10</b>	<b>69.83</b>	<b>940.13</b>

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

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP**
**CHARTERED ACCOUNTANTS**
**Firm Registration Number : 104746W/W100096**
**FOR AND ON BEHALF OF THE BOARD**
**KUNAL VAKHARIA**  
**PARTNER**  
**MEMBERSHIP NO. 148916**
**P.V.HARIHARAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 03196975**
**ADITYA BHUWANIA**  
**DIRECTOR**  
**DIN: 00018911**
**PLACE : MUMBAI**  
**DATED : 31st July, 2020**
**GHANSHYAM VYAS**  
**CHIEF FINANCIAL OFFICER**
**MANISHA KUDTARKAR**  
**COMPANY SECRETARY**

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 1 **Company Overview**

Priya International Limited ("the Company"), is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed on the bourses of Metropolitan Stock Exchange of India Ltd. (MSEI) and Calcutta Stock Exchange. The Company engaged in the business of Trading in Chemicals and Indenting Services.

### 2 **Significant Accounting Policies**

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

#### (A) **Basis Of Preparation Of Financial Statement**

##### i) **Compliance with Ind AS**

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements were authorized for issue by the Company's Board of Directors on 31st July, 2020.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

##### ii) **Historical cost convention**

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

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

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

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

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

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

#### (C) **Financial Instruments**

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

##### (I) **Financial Assets**

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

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

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

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

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

### (ii) Measurement

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

#### (a) Debt instruments

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

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

#### (b) Equity instruments

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

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

### (iii) Impairment of financial assets

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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

### (iv) Derecognition of financial assets

A financial asset is derecognised only when -

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

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

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

## (II) Financial Liabilities

### (i) Measurement

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

### (ii) Derecognition

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

### (D) Financial guarantee contracts

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

## (E) Segment Report

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

## (F) Inventories Valuation

Inventories are valued at lower of Cost and Net Realisable Value. Cost of traded goods is arrived at on FIFO basis.

## (G) Cash and cash equivalents

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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

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

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

#### (i) Current income tax

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

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

#### (ii) Deferred tax

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

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

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

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

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

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

#### (iii) Dividend distribution tax

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

### (I) Property, plant and equipment

(i) All property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

(ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- (iii) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.
- (iv) Depreciation methods, estimated useful lives and residual value.
  - (a) Fixed assets are stated at cost less accumulated depreciation.
  - (b) Depreciation is provided on a pro rata basis on the written down method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
- (v) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (vi) The residual values are not more than 5% of the original cost of the asset.

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

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

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

### (J) Intangible assets

- (i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.
- (ii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 3 years on straight-line method.

### (K) Leases

#### (i) As a lessee

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognizes right of use assets and lease liabilities for most leases i.e. these leases are on balance sheet.

On transition, the Company has applied following practical expedients:

Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with similar end date.

Applied the exemption not to recognise right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of transition.

Excluded the initial direct costs from the measurement of the right-of-use-asset at the date of transition.

Grandfathered the assessment of which transactions are, or contain leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review.

Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

#### (ii) As a lessor

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



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### (L) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discount, taxes and amounts collected on behalf of third parties. The Company recognises revenue as under:

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). There are no material impact on revenue recognition by applying this standard.

### (I) Sales

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

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

### (II) Other Income

#### (i) Interest Income

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

#### (ii) Dividends

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

#### (iii) Income from Indenting Services:

- The amount of revenue can be measured reliably.
- It is probable that future economic benefits associated with the transaction will flow to the Company.
- The stage of completion of the transaction at the end of the reporting period can be measured reliably.
- The cost incurred for transaction and the cost to complete the transaction can be measured reliably.

### (M) Employee Benefit

#### (i) Short-term obligations

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

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

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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

### (iii) Post-employment obligations

The group operates the following post-employment schemes:

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

Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation working provided by Independent actuary. The Contribution is charged to profit and loss

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

#### (b) Defined Contribution plan:

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

### (N) Foreign currency translation

#### (i) Functional and presentation currency

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

#### (ii) Transactions and balances

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

### (O) Borrowing Cost

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

### (P) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

### (ii) Diluted earnings per share

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

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

### (Q) Impairment of Assets

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

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

#### (i) Provisions:

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

#### (ii) Contingent liabilities:

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

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

### (S) Investments

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

### (T) Trade receivables

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

### (U) Trade and other payables

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

### (V) Operating Cycle

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

### (W) Rounding of amounts

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

(All Amounts in INR Lakhs, unless otherwise stated)

**3 PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	AS AT 01.04.2019	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31-03-2020	UP TO 01.04.2019	DEP. FOR THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31-03-2020	AS AT 31-03-2020	AS AT 31-03-2020
<b><u>Property, Plant and Equipment</u></b>										
Office Premises	2.99	-	-	2.99	0.41	0.12	-	0.53	2.45	
Furniture & Fixture	0.04	-	-	0.04	0.02	-	-	0.02	0.02	
Vehicles	29.76	-	-	29.76	17.90	3.72	-	21.62	8.15	
Office Equipment	0.45	0.60	-	1.05	0.37	0.23	-	0.60	0.45	
Computers	0.86	-	-	0.86	0.56	0.12	-	0.68	0.17	
<b>Total</b>	<b>34.10</b>	<b>0.60</b>	-	<b>34.70</b>	<b>19.26</b>	<b>4.19</b>	-	<b>23.45</b>	<b>11.24</b>	

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	AS AT 01.04.2018	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2019	UP TO 01.04.2018	DEP. FOR THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2019	AS AT 31.03.2019	AS AT 31.03.2019
<b><u>Property, Plant and Equipment</u></b>										
Office Premises	2.99	-	-	2.99	0.28	0.13	-	0.41	2.58	
Furniture & Fixture	0.04	-	-	0.04	0.02	-	-	0.02	0.02	
Vehicles	32.30	-	2.54	29.76	13.93	5.39	1.42	17.90	11.87	
Office Equipment	0.64	-	0.19	0.45	0.42	0.07	0.12	0.37	0.09	
Computers	1.10	-	0.24	0.86	0.41	0.32	0.17	0.56	0.28	
<b>Total</b>	<b>37.07</b>	-	<b>2.97</b>	<b>34.10</b>	<b>15.06</b>	<b>5.91</b>	<b>1.71</b>	<b>19.26</b>	<b>14.84</b>	

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

**4 INVESTMENTS**

Particulars	Face Value	Qty	As at March 31, 2020	Qty	As at March 31, 2019
<b>Quoted</b>					
<u>In Equity Instruments</u>	Rs.				
(AT FVOCI)					
Dhanuka Agritech Ltd.	2	-	-	10,000	39.29
Priya Limited	10	2,75,800	38.47	2,75,800	110.32
<b>Total Value of Investments (A+B)</b>			<b>38.47</b>		<b>149.61</b>

**5 LOANS**

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured, Considered good)		
Inter Corporate Deposits (Refer Note No.5.1)	948.50	753.00
	<b>948.50</b>	<b>753.00</b>

**Note No. 5.1**

The company had given inter corporate deposits , for the period of ten years. The rate of interest charged which is higher than the rate of interest for Govt securities for the same tenur.

Inter Corporate Deposits

Company in which directors are interested	948.50	753.00
	<b>948.50</b>	<b>753.00</b>

**6 OTHER NON CURRENT FINANCIAL ASSETS**

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	22.52	1.26
Loans and Advances to Employees (Refer Note No 6.1)	67.85	70.02
	<b>90.37</b>	<b>71.28</b>

**Note No 6.1:**
Loans and Advances to Employees includes:

Loan to director as per service terms	64.00	64.00
	<b>64.00</b>	<b>64.00</b>

**7 DEFERRED TAX ASSETS (NET)**

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Deferred tax assets (Net)</u> (Refer Note 7.1)	54.45	53.48
	<b>54.45</b>	<b>53.48</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

## Note No. : 7.1

Particulars	Net balance as at 1 April 2019	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31 March 2020
<b>Deferred Tax Assets/ (Liabilities)</b>				
Property, plant and equipment/ Investment Property/Other Intangible Assets	4.58	(0.34)	-	4.25
Reclassification of remeasurement of employee benefits transfer to P&L	7.28	1.83	-	9.12
Fair Value through P&L	-	0.02	-	0.02
Reclassification of remeasurement of employee benefits through OCI	(7.28)	-	(1.83)	(9.12)
Expenses allowable under income tax on payment basis	48.90	0.81	-	49.71
Fair Value of Ind AS 116	-	0.47	-	0.47
	<b>53.48</b>	<b>2.79</b>	<b>(1.83)</b>	<b>54.45</b>

**Income tax**

The major components of income tax expense for the year ended 31 March, 2020

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
<b>Profit and Loss:</b>		
Current tax – net of reversal of earlier years : Rs. 11,57,939 (Including 31 March 2019: Rs. 7,81,479)	64.87	31.19
Deferred Tax– net of reversal of earlier years	(2.80)	2.76
	<b>62.07</b>	<b>33.95</b>

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

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Profit before income tax expense	172.24	116.48
Tax at the Indian tax rate 25.17% (31 March 2019 : 26%)	43.35	30.28
<b>Add: Items giving rise to difference in tax</b>		
Permanent difference	0.40	(4.65)
Temporary difference	-	-
Earlier year Tax Impact	11.58	7.81
Tax Rate Changes	5.10	-
Others	1.65	0.51
Income Tax Expenses	<b>62.08</b>	<b>33.95</b>

**8 OTHER NON CURRENT TAX ASSETS (NET)**

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Tax and Tax Deducted at Source (Net of Current Tax Provisions)	-	9.68
	-	<b>9.68</b>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

**9 INVENTORIES**

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Stock - In - Trade</u>		
Chemicals ( Refer Note No. 9.1 )	139.83	191.61
	<b>139.83</b>	<b>191.61</b>

**10 TRADE RECEIVABLES**

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured)		
Considered good (Refer Note No 11.1)	241.85	232.26
Considered Doubtful	-	-
Less : Allowance for Doubtful Debts	241.85	232.26
	<b>241.85</b>	<b>232.26</b>

**11 CASH & CASH EQUIVALENTS**

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Balance With Banks</u>		
- on current account	18.48	11.85
Cash on Hand	0.03	0.14
	<b>18.51</b>	<b>11.99</b>

**12 OTHER BANK BALANCES**

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid Dividend account ( Refer Note No.12.1 )	1.49	1.49
	<b>1.49</b>	<b>1.49</b>

**Note No. 12.1**

The company can utilise balances only towards settlement of the unpaid dividend.

**13 OTHER FINANCIAL ASSETS**

Particulars	As at March 31, 2020	As at March 31, 2019
<u>(Unsecured, considered good)</u>		
<u>Other loans &amp; advances</u>		
Security Deposits	2.23	-
Loans and Advances to Employees	3.25	4.03
Interest Receivable	60.02	29.29
	<b>65.50</b>	<b>33.32</b>

**14 OTHER CURRENT ASSETS**

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Recoverable in Cash or Kind or for Value to be Received	35.17	5.18
Advance to suppliers	3.10	2.85
Refund receivable	0.39	2.28
	<b>38.66</b>	<b>10.31</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

**15 EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2020	As at March 31, 2019
<b><u>Authorized Shares</u></b>		
1,000,000 Equity shares, Rs. 10 /- each	100.00	100.00
(31st March, 2019 : 1,000,000 Equity shares, Rs. 10 /- each)		
	<b>100.00</b>	<b>100.00</b>
<b><u>Issued, Subscribed and Fully Paid Up Shares</u></b>		
996,000 Equity Shares, Rs. 10/- each	99.60	99.60
(31st March, 2019 : 9,96,000 Equity shares, Rs. 10 /- each)		
<b>Total Issued, Subscribed and Fully Paid Up Share Capital</b>	<b>99.60</b>	<b>99.60</b>

**Note No. 15.1**

The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2020 :

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Number of shares at the beginning	9,96,000	99.60	9,96,000	99.60
Add: Shares issued during the year	-	-	-	-
Less : Shares Bought back	-	-	-	-
<b>Number of shares at the end</b>	<b>9,96,000</b>	<b>99.60</b>	<b>9,96,000</b>	<b>99.60</b>

**Note No. 15.2****Terms/rights attached to equity shares**

- (A) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note No. 15.3**

The details of shareholders holding more than 5% shares in the company :

Name of the shareholders	No. of shares held		% held as at	
	March 31, 2020		March 31, 2019	
Saroj Bhuwania	2,58,200	25.92	2,58,200	25.92
Ashish Bhuwania	1,36,100	13.66	1,36,100	13.66
Aditya Bhuwania	1,06,350	10.68	1,06,350	10.68
Arun Kumar Bhuwania	92,750	9.31	92,750	9.31
Mini Bhuwania	66,200	6.65	66,200	6.65
Shruti Bhuwania	60,600	6.08	60,600	6.08

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

**Note No. 15.4**
**Dividend on equity shares**

The Board of Directors have recommended a dividend as under :

Year	Dividend paid per share	
2019-20	1.00	(Proposed)
2018-19	1.00	

**16 OTHER EQUITY**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Reserves &amp; surplus*</b>		
General Reserves #	103.63	103.63
Retained earnings	739.57	641.42
<b>Other Comprehensive Income (OCI)</b>		
-Remeasurement of net defined benefit plans	27.10	20.72
-Fair Value of Equity Investments through OCI	69.83	151.98
	<b>940.13</b>	<b>917.75</b>

# General reserve forms part of the retained earning and has been created out of retained earnings and is permitted to be distributed to shareholders as part of dividend.

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

**17 BORROWINGS**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured Loans</b>		
Term loan from NBFC (Refer Note No. 17.1)	19.93	45.64
Term loan from Bank (Refer Note No. 17.1)	34.13	34.02
Loan from Directors (Refer Note No. 17.2)	5.09	
	<b>59.15</b>	<b>79.66</b>

**Note No 17.1**

The above Business Loans from Non Banking Finance Companies and Bank was originally payable in 18 to 35 Installments and carries rate of interest @ 18% to 28.43% (2019-20) and previous year carries rate of interest @ 18% to 28.43% (2018-19) and no default in repayment of Principal & Interest has been made by company as on the balance sheet date.

**Note No 17.2**

The loan from director is interest free

**18 PROVISIONS**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Provisions for Employee Benefits (Unfunded)</b>		
Provision for Gratuity (Refer Note No.34 )	88.23	85.59
Provision for Leave Salary (Refer Note No.34)	7.78	7.30
	<b>96.01</b>	<b>92.89</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

**19 TRADE PAYABLES**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Current</b>		
Dues of micro and small enterprises (Refer Note No 19.1)	-	-
Dues other than micro and small enterprises (Refer Note No 19.1)	230.75	160.79
	<b>230.75</b>	<b>160.79</b>

**Note No 19.1**

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

**20 OTHER FINANCIAL LIABILITIES**

Particulars	As at March 31, 2020	As at March 31, 2019
Book Overdraft	-	2.25
Current Maturities of Long Term Debt (Refer Note No. 17.1)	72.93	78.73
Interest Accrued but not due	1.55	1.86
Unpaid Dividends (Refer Note No 20.1)	1.49	1.49
	<b>75.97</b>	<b>84.33</b>

**Note No 20.1**

During the year Rs. 0.19 lakhs unpaid dividend (Previous year Rs.0.21 lakhs) - transferred to IEPF A/c. The same has been transferred on 23rd September, 2019.

**21 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2020	As at March 31, 2019
Advances From Customers	0.30	0.22
Statutory Dues Payable	11.02	6.70
	<b>11.32</b>	<b>6.92</b>

**22 PROVISIONS**

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Provisions for Employee Benefits (Unfunded)</u>		
Provision for Gratuity (Refer Note No. 34)	83.91	76.30
Provision for Leave Salary (Refer Note No. 34)	10.31	9.63
<u>Other</u>		
Other Provision (Refer Note No. 35)	5.00	5.00
	<b>99.22</b>	<b>90.93</b>

**23 CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for taxation ( net of tax payment )	34.86	-
	<b>34.86</b>	<b>-</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

**24 REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
Sale of Products	1,204.65	900.76
Sale of Services	296.58	332.62
<u>Other Operating Revenue</u>		
Export Incentive - DDB	5.52	2.10
	<b>1,506.75</b>	<b>1,235.48</b>

**25 OTHER INCOME**

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
Interest income (Refer Note No 25.1)	113.09	65.10
Unwinding of Interest on Deposits	1.59	0.10
Dividend income from Equity Instrutements designated at FVOCI	0.06	3.11
Miscellaneous Income	0.14	-
Profit on Sale of Fixed Assets	-	0.67
Sundry Balance Written Back (Net)	-	0.08
	<b>114.88</b>	<b>69.06</b>

**Note No. 25.1**

<b>Break-up of Interest income</b>	<b>2019-20</b>	<b>2018-19</b>
Interest income on Inter Corporate Deposits	107.69	59.46
Interest income on Staff Loans	5.40	5.64
	<b>113.09</b>	<b>65.10</b>

**26 PURCHASES OF STOCK IN TRADE**

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
<u>Traded Items</u>		
Traded Goods **	939.47	793.21
	<b>939.47</b>	<b>793.21</b>

\*\* Includes expenses like custom duty, clearing & forwarding etc. amounting to Rs. 34.86 lakhs (Previous year Rs. 53.73 lakhs).

**27 CHANGES IN INVENTORIES OF STOCK IN TRADE**

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
<u>Stock In Trade - Chemicals</u>		
Inventory at the beginning of the year	191.61	122.51
Inventory at the end of the year	139.83	191.61
<b>Chnage in inventories of Stock in Traded</b>	<b>51.78</b>	<b>(69.10)</b>

**28 EMPLOYEE BENEFITS EXPENSES**

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
Salaries, Wages and Bonus	162.80	178.96
Contribution to Provident and other fund	10.77	10.85
Staff Welfare Expenses	6.71	8.29
	<b>180.28</b>	<b>198.10</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

**29 FINANCE COSTS**

Particulars	2019-20	2018-19
Interest on Term Loans	24.84	16.28
Interest On Lease Liabilities	4.23	-
Other Borrowing Cost		
Other Financial Charges	1.88	1.15
	<b>30.95</b>	<b>17.43</b>

**30 DEPRECIATION & AMORTIZATION EXPENSES**

Particulars	2019-20	2018-19
Depreciation on Property, Plant and Equipment	4.19	5.91
Depreciation on right to use assets	25.14	-
	<b>29.33</b>	<b>5.91</b>

**31 OTHER EXPENSES**

Particulars	2019-20	2018-19
Rent, Service & Warehousing Charges	15.75	40.66
Insurance Charges	4.11	3.91
Rates and Taxes	54.75	60.67
Payment to Statutory Auditors (Refer Note No. 31.1 )	2.04	2.00
Legal & Professional Fees	39.30	30.94
Advertisement, Publicity & Sales Promotion	6.21	4.70
Commission & Brokerage	5.31	8.10
Repairs & Maintenance	4.07	0.25
Directors Sitting Fees	1.50	1.50
Freight & Forwarding cost	11.39	7.17
Postage, Telephone, Telex & Fax Charges	12.27	9.86
Travelling & Conveyance	22.01	32.37
Electricity Charges	4.97	4.67
Bank Charges	3.86	5.09
Membership & Subscription	0.15	0.16
Charity & Donation	0.02	0.03
Loss on Exchange Rate Fluctuation (Net)	2.68	3.37
Loss on Sale/Obsolescence of Fixed Assets	-	0.15
Miscellaneous Expenses	27.20	26.91
	<b>217.59</b>	<b>242.51</b>

**Note No. 31.1****Payment to Statutory Auditors**

Particulars	2019-20	2018-19
As auditor :		
Audit Fee	1.40	1.40
Limited review	0.60	0.60
In other capacity :		
Other Services	0.04	-
<b>Total</b>	<b>2.04</b>	<b>2.00</b>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

**32 EARNING PER SHARE**

Particulars	2019-20	2018-19
(A) Profit attributable to Equity Shareholders	110.16	82.52
(B) Weighted Average No. of Equity Share outstanding during the year	9.96	9.96
(C) Face Value of each Equity Share ( Rs.)	10.00	10.00
(D) Basic earning per Share ( Rs.)	11.06	8.29
(E) Diluted earning per Share ( Rs.)	11.06	8.29

**33 Capital Management :**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by total capital plus net debt. The Company's net debt is equal to borrowings less cash and cash equivalents.

Particulars	31 March 2020	31 March 2019
Borrowing	132.08	158.39
Less- Cash and Cash equivalents	18.51	11.99
Net Debt	113.57	146.40
 Total Equity	 1,039.73	 1,017.35
Capital and Net debt	1,153.29	1,163.74
Gearing ratio	9.85%	12.58%

**34 Employee Benefits :**

The Company's defined benefit plan includes Gratuity/ Leave Encashment. The liability in respect of Gratuity/ Leave Encashment has been determined using Projected Unit Credit Method by an independent actuary. The company's defined contribution plan includes Provident Fund and Superannuation Fund. The related disclosure are as under:

- A. Defined Contribution Plan: Contribution to Defined Contribution Plan includes Provident Fund and Superannuation Fund. The details are as under:

Particulars	2019-20	2018-19
(i) Provident Fund	8.08	8.24
(ii) Contribution to Superannuation Fund	2.20	2.10

- B. Defined Benefit Plans :

- (a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 to 30 days/26 based on one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

- (b) Leave encashment:

The Company has a policy on compensated absences which is applicable to its executives jointed upto a specified period and all workers. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

The plans of the Company exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Company

- (c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2020 and 31 March 2019.

Particulars		2019-20		2018-19	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>(i) Changes in present value of obligations</b>					
PVO at beginning of period		161.88	16.93	169.98	18.93
Interest cost		11.22	1.17	12.24	1.35
Current Service Cost		6.63	4.19	9.22	4.06
Past Service Cost-(non vested benefits)		-	-	-	-
Past Service Cost-(vested benefits)		-	-	-	-
Benefits Paid		(3.28)	(0.31)	(17.84)	(2.31)
Contributions by plan participants		-	-	-	-
Business Combinations		-	-	-	-
Curtailments		-	-	-	-
Settlements		-	-	-	-
Actuarial (gain)/loss on obligation		(4.30)	(3.91)	(11.72)	(5.10)
PVO at end of period		172.14	18.09	161.88	16.93
<b>(ii) Interest Expenses</b>					
Interest cost		11.22	1.17	12.24	1.35
<b>(iii) Fair value of Plan Assets</b>					
Fair Value of Plan assets at beginning of period		-	-	-	-
Interest Income		-	-	-	-
<b>(iv) Net Liability</b>					
PVO at beginning of period		161.88	16.93	169.98	18.93
Fair Value of Plan assets at beginning of period		-	-	-	-
Net Liability		161.88	16.93	169.98	18.93
<b>(v) Net Interest</b>					
Interest Expenses		11.22	1.17	12.24	1.35
Interest Income		-	-	-	-
Net Interest		11.22	1.17	12.24	1.35
<b>(vi) Actual return on plan assets</b>					
Less Interest income included above		-	-	-	-
Return on plan assets excluding interest income		-	-	-	-

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	2019-20		2018-19	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>(vii) Actuarial (Gain) / Loss Obligation</b>				
Due to Demographic Assumption *	-	-	-	-
Due to Financial Assumption	1.05	0.09	3.29	0.30
Due to Experience	(5.36)	(4.00)	(15.01)	(5.40)
Total Actuarial (Gain) / Loss	(4.30)	(3.91)	(11.72)	(5.10)
* This figure does not reflect inter relationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.				
<b>(viii) Fair value of Plan Assets</b>				
Opening Fair Value of Plan Assets	-	-	-	-
Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
Return on Plan Assets excl. interest income	-	-	-	-
Interest Income	-	-	-	-
Contribution by Employer	3.28	0.31	17.84	2.31
Contribution by Employee	-	-	-	-
Benefit Paid	(3.28)	(0.31)	(17.84)	(2.31)
Fair Value of Plan Assets at end	-	-	-	-
<b>(ix) Past Service Cost Recognised</b>				
Past Service Cost-(non vested benefits)	-	-	-	-
Past Service Cost-(vested benefits)	-	-	-	-
Average remaining future serves till vesting of the benefit	-	-	-	-
Recognised Past Service Cost-(non vested benefits)	-	-	-	-
Recognised Past Service Cost-(vested benefits)	-	-	-	-
Unrecognised Past Service Cost-(non vested benefits)	-	-	-	-
<b>(x) Amounts to be recognized in the Balance Sheet and statement of Profit &amp; Loss</b>				
PVO at end of period	172.14	18.09	161.88	16.93
Fair Value of Plan assets at end of period	-	-	-	-
Funded Status	(172.14)	(18.09)	(161.88)	(16.93)
Net Asset / (Liability) recognized in the Balance Sheet	(172.14)	(18.09)	(161.88)	(16.93)
<b>(xi) Expenses recognized the the statement of Profit &amp; Loss</b>				
Current Service Cost	6.63	4.19	9.22	4.06
Net Interest	11.22	1.17	12.24	1.35
Past Service Cost-(non vested benefits)	-	-	-	-
Past Service Cost-(vested benefits)	-	-	-	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars		2019-20		2018-19	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Curtailments	-	-	-	-
	Settlements	-	-	-	-
	Actuarial (Gain) / Loss recognized for the period	-	(3.91)	-	(5.10)
	Expense recognized in the statement of Profit & Loss	17.84	1.46	21.46	0.31
<b>(xii)</b>	<b>Other Comprehensive Income ( OCI)</b>				
	Actuarial (Gain) / Loss recognized for the period	(4.30)	-	(11.72)	-
	Assets limit effect	-	-	-	-
	Return on Plan Assets excluding net interest	-	-	-	-
	Unrecognised Actuarial (Gain) / Loss from previous period	-	-	-	-
	Total Actuarial (Gain) / Loss recognized in (OCI)	(4.30)	-	(11.72)	-
<b>(xiii)</b>	<b>Movements in the Liability recognized in Balance Sheet</b>				
	Opening Net Liability	161.88	16.93	169.98	18.93
	Adjustment to opening balance	-	-	-	-
	Expenses as above	17.84	1.46	21.46	0.31
	Contribution paid	(3.28)	(0.31)	(17.84)	(2.31)
	Other comprehensive Income(OCI)	(4.30)	-	(11.72)	-
	Closing Net Liability	172.14	18.09	161.88	16.93
<b>(xiv)</b>	<b>Schedule III of the Companies Act 2013</b>				
	Current Liability (*)	83.91	10.31	76.30	9.63
	Non-Current Liability	88.23	7.78	85.59	7.30
	xii (*) March 2014 current liability based on Rev Schedule VI Valuation date.	31 March 2020	31 March 2020	31 March 2019	31 March 2019
<b>(xv)</b>	<b>Projected Service cost 31st March, 2021</b>	5.21	3.89	6.63	4.19
<b>(xvi)</b>	<b>Assets Information</b>				
	Not Applicable as the plan is unfunded	Target Allocation	Target Allocation	-	-
<b>(xvii)</b>	<b>Assumptions as at</b>				
	Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
	Interest / Discount Rate	6.80%	6.80%	7.00%	7.00%
	Rate of increase in compensation	6.00%	6.00%	6.00%	6.00%
	Annual increase in healthcare cost				

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars		2019-20		2018-19	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Future changes in maximum state healthcare benefits				
	Expected average remaining service	6.39%	6.39%	7.18%	7.18%
	Retirement age	58 Years	58 Years	58 Years	58 Years
	Employee Attrition Rate	Up to Age 30 : 10%	Up to Age 30 : 10%	Up to Age 30 : 10%	Up to Age 30 : 10%
		Age 31 to 40 : 5%	Age 31 to 40 : 5%	Age 31 to 40 : 5%	Age 31 to 40 : 5%
		41 and above : 2%	41 and above : 2%	41 and above : 2%	41 and above : 2%
<b>(xviii) Sensitivity Analysis (Gratuity)</b>		DR: Discount Rate		ER: Salary Escalation Rate	
	PVO	PVO DR + 1% 167.06	PVO DR - 1% 177.70	PVO ER + 1% 177.61	PVO ER - 1% 167.05
<b>(xviii) Sensitivity Analysis (Leave Encashment)</b>		DR: Discount Rate		ER: Salary Escalation Rate	
	PVO	PVO DR + 1% 17.65	PVO DR - 1% 18.56	PVO ER + 1% 18.56	PVO ER - 1% 17.64

**(xix) Expected Payout (Gratuity)**

Year Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
PVO payouts 83.91	2.57	5.47	31.13	2.01	63.79

**(xix) Expected Payout (Leave Encashment)**

Year Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
PVO payouts 10.31	1.69	1.90	3.36	1.29	9.87

**(xx) Assets Laibility Comparisons (Gratuity)**

Year	31 March 2016	31 March 2017	31 March 2018	31 March 2019	31 March 2020
PVO at end of period	141.82	155.56	169.98	161.88	172.14
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(141.82)	(155.56)	(169.98)	(161.88)	(172.14)
Experience adjustmentson plan assets	-	-	-	-	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

### (xx) Assets Laibility Comparisons (Leave Encashment)

Year	31 March 2016	31 March 2017	31 March 2018	31 March 2019	31 March 2020
PVO at end of period	18.63	18.52	18.93	16.93	18.09
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(18.63)	(18.52)	(18.93)	(16.93)	(18.09)
Experience adjustmentson plan assets	-	-	-	-	-

### (xxi) Narrations

#### 1] Analysis of Defined Benefit Obligation

The number of members under the (Gratuity) scheme have decreased by 11.11%. The total salary decreased by 2.27% during the accounting period.

The resultant liability at the end of the period over the beginning of the period has increased by 6.34%

The number of members under the (Leave Encashment) scheme have decreased by 11.11%. The total salary have decreased by 2.27% during the accounting period. The resultant liability at the end of the period over the beginning of the period has decreased by 6.83%

#### 2] Expected rate of return basis

Scheme is not funded. EORA is not applicable.

#### 3] Description of Plan Assets and Reimbursement Conditions

Not applicable.

#### 4] Investment / Interest Risk

Since the scheme is unfunded the companyis not exposed to Investment / Interest Risk.

#### 5] Longevity Risk

The company is not exposed to risk of the employee living longer as the benefit under (Gratuity) / (Leave Encashment) scheme ceases on the employee separatingfrom the employer for the any reason.

#### 6] Salary Escalation Rate

The salary escalationrate rate has remain unchanged and hence there is no change in liability resulting in no actuarial gain or loss due to change in salary escalation rate.

#### 7] Discount Rate

The discount rate has decreased from 7.00% to 6.80% under the (Gratuity) and hence there is a increased in liability leading to actuarial loss due to change in discount rate.

The discount rate has decreased from 7.00% to 6.80% under the (Leave Encashment) and hence there is a increased in liability leading to actuarial loss due to change in discount rate.

### 35 Disclosure relating to provisions for Incentives to marketing employees :

Provision Related to	Opening Balance	Additions	Utilisation	Reversal	Closing Balance
Incentives to marketing employees	5.00	-	-	-	5.00
Previous years	5.00	3.24	3.24	-	5.00

The company gives incentives to its sales employees based on their performance. A provision has been made for the expected liability based on the past experience.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

### 36 RELATED PARTY DISCLOSURES

#### A. Names of related parties and description of relationship:

Name of Party	Nature of Relationship
Mr. A.K. Bhuwania	Chairman
Mr. Aditya Bhuwania	Director
Mr. P. V. Hariharan	Director
Mrs. Shruti Bhuwania	Relative of Director and having significant influence
Priya Limited.	Close member of person having significant influence has control in the entities.
VXL Sosftware Solutions Pvt. Ltd.	
VXL Instruments Ltd.	
Mr. Ghanshyam Vyas	Chief Financial Officer
Ms.Manisha Kudatarkar / Mr. Akash Natani	Company Secretary

Note : Related parties were identified by management and auditors have relied upon same.

#### B. Transactions that have taken place during the year with related parties by the Company

Name of Related Parties	Nature of Transaction during the year	2019-2020	2018-2019
Priya Limited.	Reimbursement of Services/ Expenses incurred by Priya Ltd.	10.49	39.07
	Material sales to Priya Ltd (Exclusive of G S T Rs.NIL, Previous year Rs.5.75 )	-	31.93
VXL Software Solutions Pvt. Ltd.	Inter Corporate Deposit	435.50	150.00
	Inter Corporate Deposit return back	155.50	-
	Interest Income on ICD given	53.60	0.25
VXL INSTRUMENT LTD.	Purchase of Electronis (Exclusive of G S T Rs. Nil /- Previous year GST Rs. 5.64/- lakhs )	-	31.31
	Sale of Electronis High Seas (Exclusive of G S T Rs. Nil /- Previous year Rs. Nil /- )	62.31	14.49
	Inter Corporate Deposit given	216.00	76.00
	Inter Corporate Deposit return back	300.50	53.00
	Interest Income on ICD given	54.09	59.21
Mrs. Shruti Bhuwania	Short-term employee benefits	15.00	15.00
Mr. P. V. Hariharan	Directors Remuneration	48.05	45.31
	Loan received back	-	-
	Interest received on loan given	4.80	4.80
Mr. Ghanshyam Vyas	Short-term employee benefits	11.37	9.97
Mrs. Manisha Kudtarkar	Short-term employee benefits	0.19	0.00
Ms. Sejal Jain	Short-term employee benefits	0.00	0.74
Mr. Akash Nathani	Short-term employee benefits	0.31	0.26

Note : Post Employee benefis can not be ascertained as company has consolidated information for such benefits.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

## C. Balance at the year end.

Priya Limited.	Outstanding Payable	-	9.54
	Investment at Fair Value	38.47	110.32
	Outstanding Receivable	26.45	-
VXL Software Solutions Pvt. Ltd.	Interest Receivable	48.46	0.22
	Inter Corporate Deposit	430.00	150.00
VXL Instruments Ltd.	Outstanding Payable	-	1.88
	Interest Receivable	11.56	29.07
	Inter Corporate Deposit	518.50	603.00
Mr. A.K. Bhuwania	Loan outstanding at the year ended	5.00	0.00
Mrs. Saroj Bhuwania	Loan outstanding at the year ended	0.00	0.00
Mr. Aditya Bhuwania	Loan outstanding at the year ended	0.09	0.00
Mr. P. V. Hariharan	Loan Receivable	64.00	64.00

## 37 SEGMENT REPORTING

## Segment Information for the year ended 31st March, 2020

## (i) Information about primary business segment :

Particulars	31-Mar-20					31-Mar-19				
	Segments			Unallocated	Total	Segments			Unallocated	Total
	Indenting Commission	Chemicals Trading	Electronics Trading			Indenting Commission	Chemicals Trading	Electronics Trading		
<b>Revenue</b>										
External Customers	296.58	1,147.86	62.31	-	1,506.75	332.62	858.64	-	42.12	1,233.38
Inter-segment	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>296.58</b>	<b>1,147.86</b>	<b>62.31</b>	<b>-</b>	<b>1,506.75</b>	<b>332.62</b>	<b>858.64</b>	<b>-</b>	<b>42.12</b>	<b>1,233.38</b>
<b>Result</b>										
Segment Results	144.66	157.47	(0.11)	-	302.02	161.59	118.10	-	-	279.69
Unallocated corporate expenses net of unallocated corporate income	-	-	-	(98.83)	(98.83)	-	-	-	(145.79)	(145.79)
Finance cost	-	-	-	(30.95)	(30.95)	-	-	-	(17.43)	(17.43)
Extra ordinary items	-	-	-	-	-	-	-	-	-	-
<b>Profit Before Tax</b>	<b>144.66</b>	<b>157.47</b>	<b>(0.11)</b>	<b>(129.78)</b>	<b>172.23</b>	<b>161.59</b>	<b>118.10</b>	<b>-</b>	<b>(163.22)</b>	<b>116.47</b>
Less: Provision for Tax (Net of Deferred Tax)	-	-	-	50.49	50.49	-	-	-	26.14	26.14
<b>Net Profit After Tax &amp; Before Prior Period Adjustments</b>	<b>144.66</b>	<b>157.47</b>	<b>(0.11)</b>	<b>(180.27)</b>	<b>121.74</b>	<b>161.59</b>	<b>118.10</b>	<b>-</b>	<b>(189.36)</b>	<b>90.33</b>
Add : Prior Period Tax Adjustments	-	-	-	(11.58)	(11.58)	-	-	-	(7.81)	(7.81)
<b>Net Profit After Tax</b>	<b>144.66</b>	<b>157.47</b>	<b>(0.11)</b>	<b>(191.85)</b>	<b>110.16</b>	<b>161.59</b>	<b>118.10</b>	<b>-</b>	<b>(197.17)</b>	<b>82.52</b>
<b>Other Information</b>										
Segment Assets	107.00	348.07	-	1,241.46	1,696.53	142.90	360.95	-	1,029.02	1,532.87
Segment Liabilities	124.54	189.49	33.84	308.93	656.80	102.32	152.68	-	260.52	515.52

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

(ii) Information about secondary geographical business segment :

Particulars	2019 - 20			2018 - 19		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment Revenue	828.29	678.46	1,506.75	760.71	472.67	1,233.38
Segment Assets	1,622.77	73.76	1,696.53	1,425.73	107.13	1,532.86
Capital Expenditure	0.60	-	0.60	-	-	-

### 38 Derivatives:

UNHEDGED: The year end Foreign Currency exposures that have not been hedged by a derivative instrument as outstanding are as under:

a. Amount receivable in foreign currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2020		As on 31.03.2019	
		Amount in		Amount in	
		Rs.	Foreign Currency	Rs.	Foreign Currency
Receivables	EURO	8.87	0.11	0.37	0.01
	USD	63.27	0.84	106.52	1.54
	YEN	1.62	2.33	0.25	0.40

b. Amount payable in foreign currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2020		As on 31.03.2019	
		Amount in		Amount in	
		Rs.	Foreign Currency	Rs.	Foreign Currency
Payable	USD	48.67	0.65	71.11	1.03

### 39 Financial Risk Management

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

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

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, Investment limits, check on counterparties basis credit rating and investment review on quarterly basis.
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security and focus on realisation of receivables.
3	Market Risk – Foreign Exchange	Import Payables and Receivables on Indenting services.	Foreign currency exposure review and sensitivity analysis.	The company is partly has natural hedge and is exploring to hedge its unhedged positions.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, and Foreign Exchange Risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

### (A) Credit Risk

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

#### Credit Risk Management

The company's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The credit risk is minimum in case of entity to whom loan has been given.

The maximum exposure to credit risk as at 31 March 2020 and 31 March 2019 is the carrying value of such trade receivables as shown in note 10 of the financials.

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

Loss allowance as on 1 April 2018	-
Change in loss allowance	-
Loss allowance as on 31 March 2019	-
Change in loss allowance	-
Loss allowance as on 31 March 2020	-

### (B) Liquidity Risk

The Company has availed term borrowings from banks and financial institutions. The Company's principal sources of liquidity are term borrowings, "cash and cash equivalents" and cash flows that are generated from operations. The Company believes that its above mentioned sources of liquidity are sufficient to meet its current requirements. Hence the Company does not perceive any liquidity risk.

### (C) Market risk

#### Foreign currency risk

The Company significantly operates in domestic market. Though the company imports materials from overseas and has income from indenting commission from overseas. The company mostly has natural hedge and is exploring to have hedge its positions.

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

Particulars	EURO	USD	YEN
<b>31 March 2020</b>			
Trade receivables- Foreign Currency	0.11	0.84	2.33
Trade receivables- INR	8.87	63.27	1.62
Trade payables- Foreign Currency	-	0.65	-
Trade payables- INR	-	48.67	-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	EURO	USD	YEN
<b>31 March 2019</b>			
Trade receivables- Foreign Currency	0.01	1.54	0.40
Trade receivables- INR	0.37	106.52	0.25
Trade payables- Foreign Currency	-	1.03	-
Trade payables- INR	-	71.11	-

### Sensitivity Analysis-

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

Particulars	31 March 2020	31 March 2019
Euro	0.44	0.02
USD	0.73	1.77
YEN	0.08	0.01
<b>Total</b>	<b>1.25</b>	<b>1.80</b>

### 40 Fair Value measurement-

The fair value of Financial instrument as of March 31, 2020 and March 31, 2019 were as follows :-

Particulars	March 31, 2020	March 31, 2019	Fair value Hierarchy	Valuation Technique
Assets-				
Investment in Equity Instruments through OCI	38.47	149.61	Level-1	Quoted Market Price
<b>Total</b>	<b>38.47</b>	<b>149.61</b>		

The management assessed that Cash and Cash equivalents, loans, other balances with Banks, trade receivables, trade payables and other current liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 41 Lease

The Company's leasing arrangements are in respect of office premises / warehouse. These leasing arrangements, which is mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms & conditions. The lease payment of Rs. 15.75 lakhs (Previous Year Rs. 40.66 lakhs ) has been recognised as expenses in the statement of Profit & Loss under the Note No. 32 "Other Expenses".

#### Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning from 1 April 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1 April 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All Amounts in INR Lakhs, unless otherwise stated)

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. However, there are no adjustments to the opening balance which would arise due to Ind AS 116.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The following table presents the various components of lease costs:

Particulars	Amount as on period ended 31 <sup>st</sup> March, 2020
Depreciation charge on right-to-use asset	25.14
Interest on Lease Liabilities	4.23
Total cash outflow for leases	27.50
Carrying amount of right-to-use asset	47.66

- 42** On the basis of its assessment of the impact of the outbreak of COVID-19 on carrying amounts of receivables, inventories investments and other assets / liabilities of the entity, the entity's management concludes that no adjustments are required in the financial statements as it does not impact the current financial year. However, the situation with COVID-19 is still evolving. Also, the various preventive measures taken are still in force, leading to a highly uncertain economic environment. Due to these circumstances, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.
- 43** Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.
- 44** In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.
- 45** The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

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

As per our report attached of even date

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

**Firm Registration Number : 104746W/W100096**

**FOR AND ON BEHALF OF THE BOARD**

**KUNAL VAKHARIA**  
**PARTNER**  
**MEMBERSHIP NO. 148916**

**P.V.HARIHARAN**  
**WHOLE TIME DIRECTOR**  
**DIN: 03196975**

**ADITYA BHUWANIA**  
**DIRECTOR**  
**DIN: 00018911**

**PLACE : MUMBAI**  
**DATED : 31st July, 2020**

**GHANSHYAM VYAS**  
**CHIEF FINANCIAL OFFICER**

**MANISHA KUDTARKAR**  
**COMPANY SECRETARY**

**PRIYA INTERNATIONAL LIMITED**

CIN:L99999MH1983PLC086840

**Regd. Office:** 4th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg,  
Marine Lines (E), Mumbai-400002. E-mail: cs@priyagroup.com; Website: www.priyagroup.com

**ATTENDANCE SLIP**

(To be presented at the entrance)

Regd. Folio No. /Client ID No. \_\_\_\_\_

No. of shares held \_\_\_\_\_ DP ID No. \_\_\_\_\_

I certify that I am a Member/Proxy for the member of the Company. I hereby record my presence at the  
**37<sup>TH</sup> ANNUAL GENERAL MEETING** of the Company to be held at "City Light Cinema Banquets Hall", Ashford Chambers,  
4th Floor, Lady Jamshedji Road, Mahim, Mumbai – 400016 on **Saturday**, the **19<sup>th</sup> day of December, 2020 at 10.30 A.M.**

Member's/ Proxy's name in BLOCK Letters \_\_\_\_\_

Signature of Member/Proxy \_\_\_\_\_

**NOTE:** Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting.

Members are requested to bring their copy of the Annual Report to the meeting.

— — — — — Tear Here — — — — —

**PRIYA INTERNATIONAL LIMITED**

CIN:L99999MH1983PLC086840

**Regd. Office:** 4th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg,  
Marine Lines (E), Mumbai-400002. E-mail: cs@priyagroup.com; Website: www.priyagroup.com

**PROXY FORM - MGT-11**

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

Name of the Member (s) : \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No./ Client ID No.\* \_\_\_\_\_

DP ID No.\* \_\_\_\_\_

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of Priya International Limited, hereby appoint

1. Name : \_\_\_\_\_ Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him / her

2. Name: \_\_\_\_\_

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

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

3. Name: \_\_\_\_\_

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

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **37<sup>th</sup> Annual General Meeting** of the Company, to be held on **Saturday**, the **19<sup>th</sup> day of December, 2020** at "City Light Cinema Banquets Hall", Ashford Chambers, 4<sup>th</sup> Floor, Lady Jamshedji Road, Mahim, Mumbai – 400016 **10.30 a.m.** at and at any adjournment thereof in respect of such business as are indicated below:

**Ordinary Business No.**

1. Consider and adopt the Audited Financial Statement, Reports of the Board of Directors and Auditors, for the financial year ended 31<sup>st</sup> March, 2020.
2. Declaration of dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2020.
3. Appointment of Mr. Aditya Bhuvania a Director retiring by rotation.

Signed this ..... day of..... 2020.

Signature of Shareholder

Signature of Proxy holder(s)

Affix  
Rupee 1/-  
Revenue  
Stamp

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the  
Registered office of the Company, not less than 48 hours before the commencement of the Meeting.



If Undelivered Please return to:  
**PRIYA INTERNATIONAL LIMITED**

4<sup>th</sup> Floor, Kimatrai Building 77-79,  
Maharshi Karve Marg,  
Marine Lines (E), Mumbai - 400002

**E-mail:** [cs@priyagroup.com](mailto:cs@priyagroup.com)

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