

MARUDHAR INDUSTRIES LIMITED



ANNUAL REPORT

2019-20

CORPORATE INFORMATION:

Management Team:

Mr. Nareshkumar S. Jain	Managing Director
Mr. Bhaveshkumar S. Jain	Whole Time Director
Mr. Narendra Navalakha	Independent Director
Mr. Satishkumar Shah	Independent Director
Ms. Darsha Kikani	Independent Director
Mr. Pareshkumar P. Prajapati	Chief Financial Officer
Mr. Paras R. Shah	Company Secretary & Compliance Officer

Statutory Auditors:

M/s. Hitesh Prakash Shah & Co.
Chartered Accountants
B-31, Ghanta Karna Market,
Nr. New Cloth Market,
Sarangpur, Ahmedabad-380 002

Bankers:

HDFC Bank Ltd,
Maninagar Branch

Registrar & Share Transfer Agent:

Link Intime India Private Limited
C-101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai-400 083
Phone: 022 49186000

Registered Office:

610-611, GIDC, Phase IV,
Vatva Industrial Estate,
Vatva, Ahmedabad-382 445
Phone: 079 25890768/25895172



NOTICE OF ANNUAL GENERAL MEETING:

NOTICE is hereby given that the **37th Annual General Meeting of Marudhar Industries Limited** will be held on **Thursday, 31st day of December, 2020** at the registered office of the Company Situated at 610-611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad - 382 445 at 12:00 noon to transact the Following Business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Standalone and consolidated Balance Sheet for the year ended on 31st March, 2020 and the Statement of Profit & Loss Account as on the said date together with the Auditors and Directors' Report there on.
2. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, consent of the Members be and is hereby given to appointment of M/s. Hitesh Prakash Shah & Co. (Firm Reg. No. 107614W), Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company, to hold office from conclusion of this Annual General Meeting (AGM) till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the said Auditors."

SPECIAL BUSINESS:

3. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

Ratification of remuneration payable to M/s. Anuj Aggrawal and Company, appointed as Cost Auditor of the Company for the F.Y. 2020-21.

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Anuj Aggrawal and Company, Cost Accountants, appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the FY 2020-21, be paid a remuneration of Rs. Sixty Five thousand per annum plus applicable tax and out-of-pocket expenses that may be incurred.

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

Place: Ahmedabad
Date: 13/11/2020

By Order of the Board

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad - 382 445

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

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 AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, and signed and stamped, not less than 48 hours before the commencement of the meeting. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Register of Members and the Share Transfer Books of the Company will remain closed on December 24th, 2020 for annual closing.
7. Members are requested to intimate, indicating their folio number, the changes, if any, of their registered addresses to the Company at its registered office or to the Company's Registrar and Share Transfer Agents ("RTA") viz. Link Intime India Private Limited.
8. With a view to use natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
9. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by "CDSL". The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.

10. Members' voting rights shall be in proportion to his/her share of paid up equity share capital of the Company.
11. In case of joint holders attending the meeting together, only whose name appearing first will be entitled to vote.
12. This notice is being sent to all the members at their registered e-mail IDs, whose names appear in the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on December 05th, 2020. The Notice is also posted on the website of the Company i.e. www.marudhar.in.
13. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company registered office at least 5 days before the Annual General Meeting so that the same can be suitably replied to.
14. Members who have registered their e-mail id for the receipt of documents in electronic mode are being sent AGM Notice by e-mail and others are sent by registered post/ speed post/ courier. Members who have received AGM Notice by e-mail and wish to vote physically can do the same by remaining present in the meeting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, Link Intime India Private Limited, C-201, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083.
16. Documents specifically stated in the Explanatory Statement are open for inspection at the Registered Office of the Company between 10.00 A.M. and 1.00 P.M. on all working days (except Saturdays, Sundays and Public Holidays) up to the date of announcement of result of AGM.
17. The Members who did not exercise their vote by E-Voting shall have an option to cast their vote on poll that will be conducted at the AGM Venue. Further there shall not be any voting through Show of Hands.
18. The Company has appointed M/s. Dhariwal & Associates, Practicing Chartered Accountant (FRN No: 114043W) to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
19. The Scrutinizer shall, immediately after the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company, who shall counter-sign the same.
20. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.marudhar.in and on the website of Link Intime immediately after the result is declared by the Chairman



21. Electronic copy of the Notice of the 37th Annual General Meeting of the Company, inter alia, indicating the process of e-voting along as stated herein with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/DP(s) for communication purposes unless any member has requested for a physical copy of the same. For Members who have not registered their email address, physical copies of the Notice of the 36th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
22. Members may also note that the Notice of the 37th Annual General Meeting and the Annual Report for F.Y. 2019-20 will also be available on the Company's website www.marudhar.in . The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Ahmedabad for inspection during normal business hours on working days. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication related to this AGM or otherwise, the Members may also send requests to the Company's investor email: marudhar.cs@marudhar.in .

Place: Ahmedabad
Date: 13/11/2020

By Order of the Board

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad – 382 445.

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

PROCEDURE AND INSTRUCTIONS FOR THE E-VOTING:

- I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- II. The facility for voting through polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through polling paper.
- III. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- IV. The Company has engaged the services of Central Depository Service Limited ("CDSL") as the Agency to provide e-voting facility.
- V. The Board of Directors of the Company has appointed M/s. Dhariwal & Associates, Practicing Chartered Accountant (FRN No: 114043W) as Scrutinizer to scrutinize the voting at AGM and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- VI. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 24th December, 2020.
- VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 24th December, 2020 only shall be entitled to avail the facility of remote e-voting as well as voting at AGM through polling paper.
- VIII. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote E-Voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.marudhar.in and on the website of CDSL www.cdslindia.com.
- IX. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. December 31st, 2020.
- X. **Instructions and other information relating to remote e-voting:**
 - A. In case of Members receiving Notice through mail:
 - I. The voting period begins on from 09:00 a.m. (IST) on December 28, 2020 and ends on Up to 5.00 p.m. (IST) on December 30, 2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of December 24th, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - II. The shareholders should log on to the e-voting website www.evotingindia.com.

III. Click on Shareholders / Members

IV. Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

V. Next enter the Image Verification as displayed and Click on Login.

VI. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

VII. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in DD/MM/YYYY format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (IV).

VIII. After entering these details appropriately, click on "SUBMIT" tab.

IX. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

XI. Click on the EVSN for the relevant Marudhar Industries Limited on which you choose to vote.

- XII. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIII. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XIV. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XV. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVI. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XVII. If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVIII. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XIX. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com .
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XX. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com .



B. In case of members receiving notice through post/courier:

- Initial password is provided, as below, in the attendance slip of the AGM.

EVEN (E Voting Event Number)	User ID	Password

Place: Ahmedabad
Date: 13/11/2020

By Order of the Board

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad - 382 445

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM 3:

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records for the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on 30th June, 2020, the Board considered and approved the appointment of M/s. Anuj Aggrawal & Company, Cost Accountants as the cost auditor for the FY 2020-21 at a remuneration of Rs. 65,000/- per annum plus applicable service tax and reimbursement of out of-pocket expenses.

The Board recommends the resolution to the Members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is interested, financially or otherwise, in these resolutions. The Board recommends the Ordinary Resolution set out at item nos. 4 for approval of the Members.

Place: Ahmedabad
Date: 13/11/2020

By Order of the Board

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad - 382 445.

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

DIRECTORS REPORT:

To,
The Members,

Your Directors have pleasure in submitting this 37th Annual Report of the Company together with the Audited Statements of Accounts for the period ended 31st March, 2020.

1. FINANCIAL RESULTS

Particulars	(Amount in Rs)	
	2019-20	2018-19
Revenue from Operations	2,108,127,664	2,387,396,506
Other Income	4,221,642	3,701,911
Total Expenses	2,063,008,698	2,335,353,110
Profit/(Loss) before Tax	49,340,608	55,745,307
Provision for Taxation -		
Current Tax	(9,829,351)	(10,706,781)
Deferred Tax	1,675,544	(6,406,796)
MAT	-	-
Excess provision for earlier years	(2,349,351)	4,094,852
Wealth Tax	-	-
Profit for the year	38,837,450	42,726,582

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the financial year 2019-20, there was decreasing in the total revenue as compared to the Previous Financial Year 2018-19 from 2,391,098,417 to 2,112,349,306. There was also decreased in the Net Profit after Tax from Rs. 42,726,582/- to Rs. 38,837,450/- during the financial year 2019-20.

3. DIVIDEND

Your directors do not recommend any dividend for the financial year 2019-20 and have decided to plough back the profits in the business of the Company.

4. RESERVES

The Board does not propose to carry any amount to the reserves during the financial year 2019-20.

5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the period under review, there have been no Investment made and Guarantees provided by the Company. However, the details of the advances given by the Company during the year are disclosed in the notes to the financial statement of the Company.

6. RELATED PARTY TRANSACTIONS

The particulars of every contract or arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2. (Annexure-1).

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitment has occurred subsequent to the close of the financial year of the Company and the date of the report which could affect financial position of the Company.

8. INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. The Company has not appointed internal auditor of the Company as the said provisions aren't applicable to the Company.

9. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

The Company has developed Corporate Social Responsibility, but during the F.Y. 2019-20, there was not applicability of Corporate Social Responsibility under the Section 135 of the Companies Act 2013.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no other change in the Directorship of the Company during the year under review.

12. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013.

13. BOARD EVALUATION

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board.

The evaluation framework for assessing the performances of Directors comprises of the following key areas:

- Attendance and participation in the Meetings and timely inputs on the minutes of the meetings
- Adherence to ethical standards & code of conduct of Company and disclosure of non independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent, unbiased opinion.
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information.
- The valuation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability confirm and state that –

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

15. STATUTORY AUDITORS

Pursuant to provisions of Section 139 of the Companies Act, 2013 and the rules framed there under, M/s. Hitesh Prakash Shah & Co. Chartered Accountants were appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the AGM to be held for the financial year 2020-21.

16. SECRETARIAL AUDITOR:-

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kinjal Shah & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for FY 2019-20.

17. COMMENTS ON AUDITORS' REPORT

There is no adverse comment in the Auditors' Report.

18. VIGIL MECHANISM

The Company has established a vigil mechanism policy as the said provisions are applicable to the Company.

19. RISK MANAGEMENT

The Board has framed the committees & implements risk management policy based on the size of the Company. The Audit Committee has an additional oversight in the area of financial risks and Controls.

20. EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure - 2".

21. SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES / JOINT VENTURE

The Company has a Subsidiary Company namely Sambhav Machinery Private Limited and therefore, details of performance and financial position of Subsidiary Company is provided in AOC-1 herewith as “Annexure – 3”.

The Company does not have any Joint Venture and Associate Concern and therefore, details of performance and financial position of associate and joint venture companies are not provided.

22. BOARD MEETINGS

The Board of Directors met Eight times during the year. The details of the meeting are as below:

Sr. No.	Dates of Board Meetings
1	28/05/2019
2	30/05/2019
3	14/08/2019
4	13/11/2019
5	09/12/2019
6	13/02/2020
7	29/02/2020

23. SIGNIFICANT AND MATERIAL ORDERS

There are no material orders passed by the Regulators, Courts and tribunals impacting going concern status Company's operation in future.

24. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided. There is no employee covered under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The Company has no activity pertaining to energy conservation or technology absorption.

26. REMUNERATION POLICY

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure - 4** and is attached to this report.

27. AUDIT COMMITTEE

The details pertaining to composition of audit committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Satish Shah	Chairman
2.	Mr. Narendra Navalakha	Member
3.	Mr. Naresh S. Jain	Member

28. NOMINATION & REMUNERATION COMMITTEE:

The details pertaining to composition of nomination & remuneration committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Satish Shah	Chairman
2.	Mr. Narendra Navalakha	Member
3.	Ms. Darsha Kikani	Member

29. STAKEHOLDER RELATIONSHIP COMMITTEE:

The details pertaining to composition of stakeholder relationship committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Narendra Navalakha	Chairman
2.	Mr. Satish Shah	Member
3.	Mr. Naresh S. Jain	Member

30. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The details pertaining to composition of Corporate Social Responsibility committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Naresh S. Jain	Chairman
2.	Mr. Satish Shah	Member
3.	Mr. Narendra Navalakha	Member

31. ACKNOWLEDGEMENT

Your Directors are grateful to the concerned Government Authorities and Bankers for the cooperation and support extended by them to the Company. Your Directors also appreciate the sincere efforts put in by the entire team of management and the employees at all the levels for the growth and development of the Company.

For and on behalf of the Board of Directors

**Place: Ahmedabad
Date: 07th September 2020**

**Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499**

**Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444**

ANNEXURE - 1

Form No. AOC-2

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

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

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

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

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

- (g) Name(s) of the related party and nature of relationship:
- (h) Nature of contracts/arrangements/transactions:
- (i) Duration of the contracts / arrangements/transactions:
- (j) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (k) Date(s) of approval by the Board, if any:
- (l) Amount paid as advances, if any:

For and on behalf of the Board of Directors

**Place: Ahmedabad
Date: 07th September 2020**

**Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499**

**Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444**

Annexure – 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2020

Of

MARUDHAR INDUSTRIES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013

&

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L91110GJ1983PLC022203		
	Foreign Company Registration Number/GLN	Not Applicable		
ii)	Registration Date [DDMMYY]	18/05/1983		
iii)	Name of the Company	MARUDHAR INDUSTRIES LIMITED		
	Category of the Company [Pl. tick]	<input checked="" type="checkbox"/> Public Company <input type="checkbox"/> Private Company		
iv)	Sub Category of the Company [Please tick whichever are applicable]	1.	Government Company	<input type="checkbox"/>
		2.	Small Company	<input type="checkbox"/>
		3.	One Person Company	<input type="checkbox"/>
		4.	Subsidiary of Foreign Company	<input type="checkbox"/>
		5.	NBFC	<input type="checkbox"/>
		6.	Guarantee Company	<input type="checkbox"/>
		7.	Limited by shares	<input checked="" type="checkbox"/>
		8.	Unlimited Company	<input type="checkbox"/>
		9.	Company having share capital	<input type="checkbox"/>
		10.	Company not having share capital	<input type="checkbox"/>
		11.	Company Registered under Sec. 8	<input type="checkbox"/>
V)	NAME AND REGISTERED OFFICE ADDRESS OF COMPANY AND CONTACT DETAILS:			
	Address		610-611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva	
	Town / City		Ahmedabad	
	State		Gujarat	
	Pin Code:		382445	
	Country Name		India	
	Country Code		91	

	Telephone (With STD Area Code no)	079 – 25830181, 25831322
	Fax Number :	079 - 25830958
	Email Address	Marudhar.cs@gmail.com
	Website	www.marudhar.in
	Name of the Police Station having jurisdiction where the registered office is situated	Vatva Police Station
	Address for correspondence, if different from address of registered office:	N.A.
vi)	Whether shares listed on recognized Stock Exchange(s)	Yes
	If yes, details of stock exchanges where shares are listed	The Calcutta Stock Exchange
Vii)	Name and Address of Registrar & Transfer Agents (RTA):- Full address and contact details to be given.	
	Registrar & Transfer Agents (RTA) :-	Link Intime India Pvt Ltd.
	Address	C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India
	Town / City	Mumbai
	State	Maharashtra
	Pin Code:	400083
	Telephone (With STD Area Code Number)	+91 22 4918 6270
	Fax Number :	+91 22 4918 6060
	Email Address	Rnt.helpdesk@linkintime.co.in

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	Manufacturing of Aluminum foils and flexible packing	99887390	100%

[illegible]

Sub-total(A)(2):-	-	-	-	--	-	-	-	-	-
Total Shareholding of Promoter(A)= (A)(1)+(A)(2)	-	10103625	10103625	98.79	10103625	-	10103625	98.79	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)(Trusts)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	124000	124000	1.21	-	124000	124000	1.21	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	--	-	-	-
c)Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	124000	124000	1.21	-	124000	124000	1.21	-

Total Public Shareholding (B)=(B)(1)+(B)(2)	-	124000	124000	1.21	-	124000	124000	1.21	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10227625	10227625	100	10103625	124000	10227625	100	-

(ii) Shareholding of Promoter

Sr.N o.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	Naresh S. Jain	5189000	50.74	-	5189000	50.74	-	Nil
2	Bhaves S. Jain	4789625	46.83	-	4789625	46.83	-	Nil
3	Sambhav Machinery Private Limited	74500	0.73	-	74500	0.73	-	Nil
4	Laherchand Jain	50000	0.49	-	50000	0.49	-	Nil
5	Pravin Chopra	500	0.005	-	500	0.005	-	Nil
	TOTAL	10103625	98.79	-	10103625	98.79	-	Nil

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

Sr.N o.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1					
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of 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 during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Sanjay Gulecha				
	At the beginning of the year	31250	0.31	31250	0.31
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	31250	0.31	31250	0.31
2.	Sarojben Prakashraj Jain				
	At the beginning of the year	10500	0.10	10500	0.10
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	10500	0.10	10500	0.10
3.	Kamla Devi Vaidh				
	At the beginning of the year	2250	0.02	2250	0.02
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	2250	0.02	2250	0.02
4.	Dharamchand Dhariwala				
	At the beginning of the year	2000	0.01	2000	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	2000	0.01	2000	0.01
5.	Gourishankar Sharma				
	At the beginning of the year	1650	0.01	1650	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			

	At the end of the year (or on the date of separation, if separated during the year)	1650	0.01	1650	0.01
6.	Mani Nahata				
	At the beginning of the year	1500	0.01	1500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1500	0.01	1500	0.01
7.	Pawan Kumar Somani				
	At the beginning of the year	1500	0.01	1500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1500	0.01	1500	0.01
8.	Surajmal Seshmal Jain				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1000	0.01	1000	0.01
9.	Abhey Subhkaran Surana				
	At the beginning of the year	500	0.01	500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	500	0.01	500	0.01
10.	Abhishek Lalwani				
	At the beginning of the year	500	0.01	500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	500	0.01	500	0.01

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Naresh Jain				
	At the beginning of the year	5189000	50.74	5189000	50.74
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	5189000	50.74	5189000	50.74
2.	Mr. Bhavesh Jain				
	At the beginning of the year	4789625	46.83	4789625	46.83
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	4789625	46.83	4789625	46.83
3.	Mr. J. S. Negi				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	NIL	NIL	NIL	NIL
4.	Mr. Satish Shah				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	NIL	NIL	NIL	NIL
5.	Ms. Darsha Kikani				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			

	etc):				
	At the end of the year	NIL	NIL	NIL	NIL

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

(Amount in Rs.)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	597,426,873	143,152,543	-	740,579,416
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	597,426,873	143,152,543	-	740,579,416
Change in Indebtedness during the financial year				
* Addition	196,270,921	89,302,096	-	285,573,017
* Reduction	138,620,760	28,145,431	-	166,766,191
Net Change	576,50,161	61,156,665	-	118,806,826
Indebtedness at the end of the financial year	655,077,034	204,309,208	-	859,386,242
i) Principal Amount	655,077,034	204,309,208	-	859,386,242
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	655,077,034	204,309,208	-	859,386,242

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Naresh Jain	Mr. Bhavesh Jain	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,32,652	13,32,652	26,65,304
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			

4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total (A)			
	Ceiling as per the Act	13,32,652	13,32,652	26,65,304

B. Remuneration to other directors

SN	Particulars of Remuneration	Name of Independent/ Non-Executive Director
		1. Ms. Darsh Kikani: Rs.50,000 was paid setting fees in Independent Director capacity during the F.Y. 2019-20.
1	Independent Directors	
	Fee for attending board	
	committee meetings	
	Commission	
	Others, please specify	
	Total (1)	
2	Other Non-Executive Directors	
	Fee for attending board committee meetings	
	Commission	
	Others, please specify	
	Total (2)	
	Total (B)=(1+2)	
	Total Managerial Remuneration	
	Overall Ceiling as per the Act	

C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD

(Amt in Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS*	CFO	Total
1	Gross salary	-			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3,90,837	2,88,449	6,79,286
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-

3	Sweat Equity	-	-	-	-
4	Commission		-	-	-
	- as % of profit	-	-	-	-
	Others specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	3,90,837	2,88,449	6,79,286

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 07th September 2020

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444

Annexure-3

Form AOC-I

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Sr. No. : 1
2. Name of the subsidiary :- SAMBHAV MACHINERY PRIVATE LIMITED
3. The date since when subsidiary was acquired: 26/03/2015
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: From 01/04/2019 to 31/03/2020
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: INR (Indian Nation Rupees)
6. Share capital : 11,21,800/-
7. Reserves & surplus : 28,13,741/-
8. Total assets : 178,23,918/-
9. Total Liabilities : 178,23,918/-
10. Investments :45,594/-
11. Turnover : 28,55,000/-
12. Profit before taxation :1,96,384/-
13. Provision for taxation :37,930 /-
14. Profit after taxation:2,34,314/-
15. Proposed Dividend :- Nil
16. Extent of shareholding (in percentage): 100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Name of Associates/ Joint Ventures	N.A.
1. Latest audited Balance Sheet Date	
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extent of Holding (in percentage)	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	
7. Profit or Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations. **Not Applicable**
- Names of associates or joint ventures which have been liquidated or sold during the year. **Not Applicable**

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 07th September 2020

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444

Sd/-
Paresh Prajapati
CFO
PAN: ABEPP8523E

Annexure - 4

REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

I. REMUNERATION TO EXECUTIVE DIRECTORS; KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT & OTHER EMPLOYEES:

The Board of Directors and Nomination & Remuneration Committee (subject to applicable authorization from shareholders) is authorized to decide /recommend the remuneration and other terms of appointment of such Directors and Senior Management employees (one level below executive directors) and Key Management Personnel and other employees of the Company. The remuneration structure shall inter alia, include salary, perquisites, retirement and/superannuation benefits as per HR Policy decided by the management of the Company. Based on the performance appraisals, the changes in the remuneration shall be decided/ recommended by the management/executive directors.

The remuneration on appointment and on appraisal based on the performance of other employees (other than senior management & Key Managerial Personnel) shall be decided by the functional head or business head from time to time considering the HR policy of the Company. The remuneration components shall include basic salary, allowances, perquisites, retrial benefits; pay as may be decided by the Management from time to time. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate employees at all levels, having regard to the industry practice.

OTHER TERMS APPLICABLE TO EXECUTIVE DIRECTORS AND SENIOR & KEY MANAGEMENT EMPLOYEES

- i. The Remuneration and terms of employments shall be fixed/ recommended in such a manner that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- ii. The remuneration shall involve a good balance between fixed and incentive pay (considering industry benchmark/practice) reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- iii. No director or executive should be directly involved in determining their own remuneration or performance evaluation.
- iv. The Executive Director, Whole time Director/ Managing Director and/or Senior Management Employee shall be eligible for advances/loans as per prevalent HR Policy of the Company subject to the applicable statutory provisions and approvals.

II. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

Company is not paying remuneration to the non executive directors.

III.CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Act read with Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director and senior management. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose is as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

- (a) He/ She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

A. Criteria for appointing a Director:

- a. He should be a person of integrity, with high ethical standards.
- b. He should be able to commit to his responsibilities and devote sufficient time and attention to his professional obligation as a Director.
- c. He should be having positive thinking, courtesy, and humility.
- d. He should be knowledgeable and diligent in updating his knowledge.
- e. He should have qualifications, skills, experience and expertise by which the Company can benefit.
- f. In respect of independent director, in addition to the above (a) to (e), he should fulfill the criteria for being appointed as an Independent Director prescribed under section 149 of the Companies Act, 2013 read with Schedule IV to the said Act.
- g. In respect of Executive/Whole time Director/Managing Director, in addition to above (a) to (f), he should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented approach, ability to enhance reputation of the organization.

B. Criteria for appointing a Senior Management Employee/ Key Managerial Personal:

- a. He should have the required educational, qualification, skills and functional knowledge for the post and eye for detailing & compliance
- b. He should have integrity, humility, positive thinking, leadership qualities, sincerity, alert, hardworking, team building ability, good soft skills, transparency in dealings with the Company and other stakeholders.
- c. Screening of the potential conflicts of interest and independence.
- d. Detailed background information in relation to a potential candidate should be provided to all directors.



e. The identification of potential candidates may be assisted by the use of external search organizations as may be considered appropriate.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 07th September 2020

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company is committed to good corporate governance practices aimed at increasing value for all stakeholders. The Company has always been a value driven Company. The Company's corporate governance philosophy is based on values of focusing on fairness, responsibility, openness, trust, reliability, credibility and legality.

Marudhar's values and Code of Business Conduct provides necessary framework in running the business with high moral standards and enable the Company to fulfill its legal, financial and ethical objectives. The Company has a well – informed and independent Board for ensuring the same.

BOARD OF DIRECTORS:

Composition of the Board and Category of Directors:

The composition of the Board of Directors of the Company is governed by the provisions of Companies Act, 2013 (the "Act"), Articles of Association of the Company and Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). The Board comprises of an optimum mix of Executive and Non-Executive Directors. The Board has one Woman Director. More than half of the Board comprises of Independent Directors. The Directors of the Company are persons of eminence having vast and varied experience in manufacturing, marketing, sales, banking, financial and business administration.

The composition of the Board as on 31st March, 2020 is as under:

Sr. No.	Name of Director	Category
1	Mr. Naresh S. Jain	Managing Director
2	Mr. Bhavesh S. Jain	Whole Time Director
3	Mr. Narendra Navalakha	Independent Director
4	Mr. Satish Shah	Independent Director
5	Ms. Darsha Kikani	Independent Director

Attendance at Board Meetings and Annual General Meeting:

During the year Eight Board meeting were held respectively. Details of attendance of Directors at the Board Meetings are given below:

Date of Board Meeting	Mr. Naresh Shah	Mr. Bhavesh Shah	Mr. Satish Shah	Ms. Darsha Kikani	Mr. Narendra Navalakha
28/05/2019	Yes	Yes	Yes	No	Yes
30/05/2019	Yes	Yes	Yes	Yes	Yes
14/08/2019	Yes	Yes	Yes	Yes	Yes
13/11/2019	Yes	Yes	Yes	Yes	Yes
09/12/2019	Yes	Yes	Yes	No	Yes
13/02/2020	Yes	Yes	Yes	Yes	Yes
29/02/2020	Yes	Yes	Yes	No	Yes

Relation between Directors:

Mr. Naresh Jain, Managing Director and Mr. Bhavesh S. Jain, Whole Time Director as on 31st March 2020 are brothers.

Details of shareholding of Directors in the Company as on 31st March, 2020:

Name of Director	Category	Shares held by Directors in the Company
Mr. Naresh S. Jain	Managing Director	51,89,000
Mr. Bhavesh S. Jain	Whole Time Director	47,89,625
Mr. Satish Shah	Independent Director	NIL
Mr. Narendra Navalakha	Independent Director	NIL
Ms. Darsha Kikani	Independent Director	NIL

Since the Company has not issued any convertible instruments during 2018-19, disclosure in this respect is not applicable.

Independent Directors:

A letter of appointment encompassing the terms and conditions of appointment, roles, duties and liabilities were issued to the Independent Directors. The main terms of appointment can be accessed at: www.marudhar.in

As mandated by the Listing Regulations, the Independent Directors on Marudhar's Board:

- Are persons of integrity and possess relevant expertise and experience, in the opinion of the Board of Directors;
- Are not a Promoter of the Company or its holding, subsidiary or associate of company;
- Are not related to Promoters or Directors in the Company, its holding, subsidiary or associate company;
- Apart from receiving Director's remuneration, have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- Have no relative, who has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither themselves nor any of their relatives –
 - hold or have held the position of a Key Managerial Personnel or are or have been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed;
 - are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed, of —

A. a firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate company; or

B. any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) hold together with their relatives two per cent or more of the total voting power of the Company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty five per cent or more of its receipts or corpus from the Company, any of its Promoters, Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company;

(v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

g. are not less than 21 years of age. The Independent Directors have confirmed that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations.

Familiarization Programme for Independent Directors:

Familiarization Programme for Independent Directors generally forms part of the Board process. The Independent Directors are updated on an ongoing basis on the Board / Committee meetings, inter alia, on the following:

- Nature of the industry in which the Company operates;
- Business environment and operational model of various business divisions of the Company including important developments thereon;
- Roles, rights and responsibilities of Directors;
- Important changes in regulatory framework having an impact on the Company;
- Manufacturing facilities of the Company at various locations.

Details of the familiarization programme for Independent Directors can be accessed at: www.marudhar.in.

Information supplied to the Board:

The Board has complete access to all information with the Company. All Board Meetings are governed by a structured agenda which is backed by comprehensive background information. As a part of green initiative, the agenda and related papers are provided to the Board members through email, in paperless form. The information pertaining to mandatory items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business issues, is regularly provided to the Board, as part of the agenda papers at least seven days in advance of the Board Meetings (except for certain unpublished price sensitive information which is circulated at a shorter notice). Action Taken Report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

Committees of the Board:

The Company had constituted following Four Committees of the Board during the year 2017-18:

A. AUDIT COMMITTEE (AC)

The Board has an Audit Committee which has been constituted in compliance with the provisions of section 177 of the Companies Act, 2013 and regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

The terms of reference given by the Board of Directors pursuant to Section 177 of the Act and the Listing Regulations are given below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. qualifications in the draft Audit Report;
5. Reviewing with the management: the quarterly financial statements before submission to the Board for approval, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with Related Parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing with the management, performance of Statutory and Internal Auditors and adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with Internal Auditors of any significant findings and follow up thereon;

14. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
15. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. To review the functioning of the Whistle Blower mechanism;
18. Approval of appointment of CFO (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc., of the candidate; and
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee by the Act, the Listing Regulations or by the Board from time to time.

Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, four meetings of the Audit committee were held on 30th May, 2019, 14th August 2019, 13th November 2019 and 13th February 2020.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Audit Committee Meetings attended during the year
1	Mr. Satish Shah	Chairman, Independent Director	4
2	Mr. Naresh Jain	Managing Director	4
3	Mr. Narendra Navalakha	Independent Director	4

The Company Secretary acts as the Secretary to the Committee. All the members of the Audit Committee are financially literate and have accounting and related financial management expertise.

Related Party Transaction Policy:

Company has formulated a Policy on Related Party Transactions as per the requirements of Listing Agreement / Regulations. The Policy is available on the website of the Company.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC):

The Board has a Stakeholders Relationship Committee, which has been constituted in compliance with the provisions of section 178 of Companies Act, 2013 and regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

The Committee performs the following functions:

1. Transfer/ transmission of shares.
2. Split up/ sub-division and consolidation of shares.
3. Dematerialization/ rematerialization of shares.
4. Issue of new and duplicate share certificates.
5. Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
6. To open / close bank account(s) of the Company for depositing share / debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.
7. To look into redressal of shareholders' and investors' complaints like transfer of shares, non receipt of Annual Report, non receipt of declared dividends, etc.
8. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Details of complaints received and resolved by the Company during the financial year 2019-20 are given below:

Nature of Complaint	As on 01st April 2019	Received During 2019-20	Disposed During 2019-20	As on 31st March 2020
Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares	NIL	NIL	NIL	NIL
Non-receipt of Dividend	NIL	NIL	NIL	NIL
Others (Non-receipt of bonus shares/ POA/ change of signatures/ address etc.)	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, one meetings of the Stakeholders Relationship Committee were held on 13th February 2020.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Stakeholders Relationship Committee Meetings attended during the year
1	Mr. Narendra Navalakha	Chairman, Independent Director	1
2	Mr. Satish Shah	Independent Director	1
3	Mr. Naresh Jain	Managing Director	1

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC):

The Board has a Corporate Social Responsibility (CSR) Committee which has been constituted in compliance with the provisions of section 135 of the Companies Act, 2013 and regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

1. Formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
2. Recommending to the Board the amount of expenditure to be incurred;
3. Monitoring the implementation of framework of CSR Policy;
4. Ensuring that implementation of the projects and programmes is in compliance with the CSR policy of the company.
5. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Corporate Social Responsibility (CSR) Committee Meetings attended during the year
1	Mr. Naresh Jain	Chairman, Managing Director	NIL
2	Mr. Satish Shah	Independent Director	NIL
3	Mr. Narendra Navalakha	Independent Director	NIL

D. NOMINATION & REMUNERATION COMMITTEE (NRC):

The Board has Nomination and Remuneration Committee which has been constituted in compliance with the provisions of section 178 of the Companies Act, 2013 and regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

1. Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every Director's performance;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; and
5. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, one meetings of the Nomination & Remuneration Committee was held on 13th February 2020.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Nomination and Remuneration Committee Meetings attended during the year
1	Mr. Satish Shah	Chairman, Managing Director	1
2	Mr. Narendra Navalakha	Independent Director	1
3	Ms. Darsha Kikani	Independent Director	NIL

REMUNERATION OF DIRECTORS

a) Directors have no pecuniary relationship with the Company other than receiving remuneration as Directors.

b) Details of Remuneration

Whole-Time Directors/Executive Directors:

The remuneration payable to the Executive Directors are governed by the Act, Listing Regulations and Nomination Remuneration Policy of the Company and is subject to approval of the shareholders. Remuneration of Executive Directors consists of a fixed salary. The Board of Directors on the recommendation of Nomination Remuneration Committee determines the remuneration to be given to Directors. In addition, Executive Directors receive benefits as per the Company policy and the Agreement entered with them. Details of remuneration paid to Executive Directors during the financial year are given below:

Particular	Mr. Naresh Jain Managing Director	Mr. Bhavesh Jain Whole Time Director
Salary	11,57,538	11,57,538
Commission / Bonus	1,75,114	1,75,114
Contribution to Provident Fund & other Funds	1,38,905	1,38,905
Other perquisites as per Income Tax Rules	-	-
Stock Options	-	-
Total	13,32,652	13,32,652

GENERAL BODY MEETINGS:

Location and time of last 3 Annual General Meetings is given below:

Financial Year	Date	Time	Venue
2018-19	27/09/2019	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial Estate, Vatva, Ahmedabade-382445, Gujarat.
2017-18	27/09/2018	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial Estate, Vatva, Ahmedabade-382445, Gujarat.
2016-17	07/09/2017	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial Estate, Vatva, Ahmedabade-382445, Gujarat.

**SCORES (SEBI Complaints Redressal System):**

SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system, a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

GENERAL SHAREHOLDER INFORMATION

The Company is registered in Gujarat, India. The Corporate Identification Number (CIN) allotted by Ministry of Corporate Affairs (MCA) is L91110GJ1983PLC022203.

Annual General Meeting – date, time & venue:

Date: 31/12/2020

Time: 12:00 Noon

Venue: 610-611, GIDC, Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad-382445, Gujarat.

Financial Year: 1st April, 2019 to 31st March, 2020.

Book Closure:

The Company's Register of Members and Share Transfer Books will remain closed on Thursday 24th December, 2020.

Registrar and Share Transfer Agents (RTA):

Marudhar Industries Limited has appointed Link Intime India Private Limited as its RTA for both segments i.e. physical and electronic.

Link Intime India Private Limited
C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083
Tel.: 022 - 4918 6270 Fax: 022 - 4918 6060.

As required under Regulation 7(3) of the Listing Regulations, the Company has filed a Certificate issued by RTA & Compliance Officer of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by RTA registered with SEBI i.e. Link Intime India Private Limited.

Nomination facility:

Pursuant to the provisions of section 72 of the Companies Act, 2013, and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, members may file Nomination in respect of their shareholdings. Members holding shares in physical form willing to avail this facility may submit to the Company the prescribed Form SH-13 and any change or variation in the nomination in prescribed Form SH-14.

Shareholding Pattern (as on 31st March, 2020):

Particular	No. of Shareholder	No. of Share held	Percentage of Shareholding
Promoter & Promoter Group	5	1,01,03,625	98.79
Foreign Portfolio Investors / Foreign Institutional Investors	-	-	-
Central Government / State Government	-	-	-
Financial Institutions / Banks	-	-	-
Resident Individuals	151	1,24,000	1.21
NBFC	-	-	-
Non Resident Individuals	-	-	-
Clearing Members	-	-	-
Bodies Corporate	-	-	-
Total	155	1,02,27,625	100

Top ten Public shareholders as on 31st March, 2020:

Sr. No.	Name	No. of Share held	Percentage of Shareholding
1	Sanjay Gulecha	31250	0.31
2	Sarojben Prakashraj Jain	10500	0.10
3	Kamla Devi Vaidh	2250	0.02
4	Dharamchand Dhariwala	2000	0.01
5	Gourishankar Sharma	1650	0.01
6	Mani Nahata	1650	0.01
7	Pawan Kumar Somani	1500	0.01
8	Surajmal Seshmal Jain	1000	0.01
9	Abhey Subhakaran Surana	1000	0.01
10	Abhishek Lalwani	500	0.01

Distribution of Shareholding (as on 31st March, 2020):

Sr. No	Share Range		Shares	% of Capital	No of Holder	% to No of Holder
	From	To				
1	1	5000	69,350	0.68	141	90.97
2	50001	10000	2,000	0.02	2	1.29
3	100001	20000	6,650	0.07	4	2.58
4	200001	30000	4,750	0.05	2	1.29
5	300001	999999999	1,01,44,875	99.19	6	3.87
Total			1,02,27,625	100.00	155	100.00



Form No. MGT-11
Proxy form

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

CIN : L91110GJ1983PLC022203

Name of the company : MARUDHAR INDUSTRIES LIMITED

Registered office : 611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva
Ahmedabad – 382 445

Name of the member (s) :

Registered Address :

E-mail ID :

Folio No/Client ID :

DP ID :

I/we, being the member (s) of _____ shares of Marudhar Industries Limited, hereby appoint

1. Name:
Address:
E-mail ID: Signature:_____ or failing him
2. Name:
Address:
E-mail ID: Signature:_____ or failing him
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 37th Annual General Meeting of the Company, to be held on the on Thursday, 31th day of December, 2020 at the Registered Office of the Company situated at 611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad – 382 445 at 12:00 noon and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1. Adoption of Financial Statements of Company as on 31st March, 2020.
2. Appointment of Auditor M/s. Hitesh Prakash Shah & Co. and to fix their remuneration for the financial year 2020-21.
3. Ratification of remuneration payable to M/s. Anuj Aggrawal and Company, appointed as Cost Auditor of the Company for the F.Y. 2020-21.



Signed this day of....., 2020

Signature of shareholder:

Affix
Re.1/-
Revenue
Stamp

Signature of Proxy holder(s):

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.



ATTENDANCE SLIP

(To be handed over at the Registration Counter)

Annual General Meeting held on 31st December 2020

Folio No./ DP ID - Client ID No.:

No. of Shares

I/We hereby record my/our presence at the Annual General Meeting of the Company being held on **31st December 2020 at 12:00 noon at 611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad – 382 445.**

1. Name(s) of the Member: 1. Mr. /Ms.....

And Joint Holder(s): 2. Mr. /Ms.....

(In block letters): 3. Mr. /Ms.....

2. Address:

3. Father's/Husband's
Name (of the Member): Mr.

4. Name of Proxy: Mr. /Ms.....

1.....

2.....

3.....

Signature of the Proxy

Signature(s) of Member and Joint Holder(s)

Note: Please complete the Attendance slip and hand it over at the Registration Counter at the venue.



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
MARUDHAR INDUSTRIES LIMITED

Report on the standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of MARUDHAR INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2020, 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 standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us read with the notes to accounts, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Emphasis of Matter

We draw attention on Note No.32(c) relating to Balance confirmation/reconciliation of the third-party accounts & Balances with the Government Agencies and grouping of the same and disclosure relating to Material on Job Work.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matters	How the matter was addressed in our audit
Recoverability of Trade Receivable balances- Trade receivables (as described in note 6 of the Standalone Ind AS Financial Statements) <ul style="list-style-type: none">Year-end outstanding trade receivables represent balance outstanding from domestic and export customers.	Our audit procedures among other things, included the following: <ul style="list-style-type: none">Understood and tested on a sample basis the design and operating effectiveness of management control over the customer acceptance process, collection and the assessment of the recoverability of receivables; tested on a sample basis the ageing of trade receivables at year end;



<ul style="list-style-type: none"> Trade receivables by nature carry certain risks in general which includes overdue balances, customers in weaker economic and geopolitical environment, customer's ability to pay, provision in relation to expected credit loss, assessment of recovery process and compliance with risk management controls. Procedures to mitigate such risks includes element of management judgment and are important to access recoverability of trade receivables. Trade receivable has been considered a key audit matter in the current year due to the significance of the amount and element of judgement involved in overall management assessment of customers' ability to repay the outstanding balance during COVID 19 disruption. 	<ul style="list-style-type: none"> in respect of material trade receivables balances, inspected relevant contracts and correspondence with the customers; In respect of material trade receivables balances which are past due, additional procedures were performed to evaluate their historical payment trends, terms & conditions of customer contracts, assessed whether the customers are experiencing financial difficulties, and assessed expected credit loss assessment provided by the management; and Evaluated the nature of customers and obtained the understanding from management about whether any impact on those customers business because of Covid 19 pandemic.
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Information Other than on Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditors' report thereon.

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standard) Amendment Rules, 2019. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 its 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 Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Standalone Ind AS Financial Statements.

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



- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS Financial Statements, including the disclosures, and whether the standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, on the basis of information given to us by the company, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable for the year under consideration.
 - (A) As required by Section 143 (3) of the Act, except otherwise stated, we broadly report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019;
 - (e) On the basis of the written representations received from the directors as on 31 March 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of Section under 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 1) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – refer note 29(a) to the Standalone Ind AS Financial Statement.
 - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - 3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



FOR, HITESH PRAKASH SHAH & CO.
(FIRM REGD. NO: 127614W)
CHARTERED ACCOUNTANTS

HITESH P SHAH
Partner
Membership Number 124095

Place: Ahmedabad
Date: 7th September 2020
UDIN-20124095AAAACU9403

Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended 31st March, 2020 of MARUDHAR INDUSTRIES LIMITED.

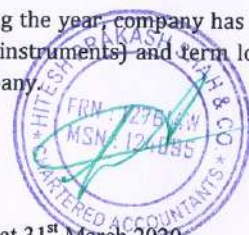
- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets but it requires updation in respect of certain particulars.

(b) The company has a programme of physical verification of its fixed assets, by which the fixed assets are verified at regular intervals. In accordance with this programme the fixed assets were verified during the year and as informed to us no material discrepancies were noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- ii. The physical verification of inventory, except material in transit, has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, except loans and advances to the subsidiary, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon
- v. As explained to us, during the year the company has not accepted any deposit within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. Pursuant to rules made by the central government of India, the company is required to maintain cost record as specified under section 148(1) of the Act in respect of its product. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (A) As explained to us, the undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(B) According to the information and explanations given to us, there no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(C) According to the information and explanations given to us, there are no dues outstanding on account of dispute in respect of Provident Fund, Employee's State Insurance, Sales Tax, Service Tax, Custom Duty, Value Added Tax, Cess etc.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings from financial institution and bank. The Company did not have any outstanding loans or borrowings dues in respect to Government or dues to debenture holders during the year.
- ix. In our opinion, and according to the information and explanations given to us during the year, company has not raised money by way of Initial Public Offer or further public offer (including debt instruments) and term loan. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.



- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the information and explanation given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. As the Company is not a Nidhi Company, the Nidhi Rules, 2014 are not applicable to it and therefore the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.



FOR, HITESH PRAKASH SHAH & CO.
(FIRM REGD. NO: 127614W)
CHARTERED ACCOUNTANTS

HITESH P SHAH
Partner
Membership Number 124095

Place: Ahmedabad
Date: 7th September 2020
UDIN-20124095AAAACU9403

Annexure B referred to in Paragraph 1(A)(f) of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended March 31, 2020 of MARUDHAR INDUSTRIES LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub - section 3 of Section 143 of the Companies Act, 2013 ("the Act") for the year ended on 31st March, 2020.

We have audited the internal financial controls over financial reporting of **MARUDHAR INDUSTRIES LIMITED** ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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) Pertaining 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 with reference to the financial statements

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

Page 7 of 8

Auditors' Report on the Standalone Ind AS Financial Statement for the financial year ended as at 31st March 2020 of Marudhar Industries Limited



Opinion

In our opinion, the Company has, in all material respects, except otherwise stated or reported to the company, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31 March 2020, based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ahmedabad
Date: 7th September 2020
UDIN-20124095AAAACU9403



FOR, HITESH PRAKASH SHAH & CO.
(FIRM REGD. NO: 127614W)
CHARTERED ACCOUNTANTS

HITESH P SHAH
Partner
Membership Number 124095

MARUDHAR INDUSTRIES LIMITED

CIN No:-L91110GJ1983PLC022203

Balance Sheet as at 31ST March 2020

(Amount in Rupees)

Particulars	Notes	As at 31-03-2020	As at 31-03-2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	587,223,690	619,232,671
Intangible assets	3	5,960,473	6,514,935
Financial assets	4		
(i) Investments		3,117,372	3,117,372
(ii) Loans		1,406,884	575,000
(iii) Other financial assets		15,966,883	14,426,873
Other non-current assets	9	9,091,229	3,634,010
Total non-current assets		622,766,531	647,500,861
Current assets			
Inventories	5	408,352,026	338,116,252
Financial assets			
(i) Trade receivables	6	384,168,283	409,883,153
(ii) Cash and cash equivalents	7	125,350,687	10,574,977
(iii) Bank balances other than (ii) above	8	29,873,150	23,443,138
(iv) Loans	4	586,083	1,141,964
(v) Other financial assets	4	1,654,911	1,491,982
Other current assets	9	85,191,863	64,550,792
Total current assets		1,035,177,003	849,202,258
Total Assets		1,657,943,534	1,496,703,119
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	102,276,250	102,276,250
Other equity	11	398,328,686	361,628,082
Total Equity		500,604,936	463,904,332
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12	183,597,040	136,694,693
(ii) Other financial Liabilities	14	75,373,955	94,435,139
Provisions	16	8,469,154	2,877,911
Deferred tax liabilities (net)	17	48,771,567	50,447,111
Total non-current liabilities		316,211,716	284,454,854
Current liabilities			
Financial liabilities			
(i) Borrowings	12	690,789,202	618,884,723
(ii) Trade payables	13		
-Due to Micro and Small Enterprises		87,674	1,375,894
-Due to Other than Above		93,474,901	71,294,204
(iii) Other financial liabilities	14	28,685,743	29,588,322
Other current liabilities	15	9,429,874	10,189,919
Provisions	16	10,765,131	10,323,799
Current tax liabilities (net)	18	7,894,357	6,687,072
Total current liabilities		841,126,882	748,343,933
Total Equity and Liabilities		1,657,943,534	1,496,703,119

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Hitesh Prakash Shah & Co.

Chartered Accountants

ICAI Registration No: 127614W

Hitesh P. Shah

Partner

Membership No. 124095

Place : Ahmedabad

Date : 7th Sept, 2020

UDIN No:-20124095AAAACU9403

For Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714489

Paras .R. Shah
Company Secretary

Bhavesh S. Jain
Director
DIN:03091444

P P Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

CIN No:-L91110GJ1983PLC022203

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

(Amount In Rupees)

Particulars	Notes	Year Ended 31-03-2020	Year Ended 31-03-2019
Revenue From Operation	19	2,108,127,664	2,387,396,506
Other income	20	4,221,642	3,701,911
Total income		2,112,349,306	2,391,098,417
Expenses			
Cost of raw materials and components consumed	21	1,740,602,657	1,987,125,336
Purchase of stock-in-trade		-	504,719
Changes in inventories of finished goods & work-in-progress	22	(101,319,566)	(24,501,425)
Employee benefits expenses	23	100,282,266	81,996,019
Finance costs	24	82,016,249	65,699,252
Depreciation and amortisation expenses	25	45,931,154	35,888,756
Other expenses	26	195,495,938	188,640,453
Total expenses		2,063,008,698	2,335,353,110
Profit before tax		49,340,608	55,745,307
Tax expense			
Current tax	27	(9,829,351)	(10,706,781)
Excess/ (Short) provision for current tax of earlier years		(2,349,351)	4,094,852
Deferred tax		1,675,544	(6,406,796)
Total tax expense		(10,503,158)	(13,018,725)
Profit for the year		38,837,450	42,726,582
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		(2,855,525)	(451,043)
Income tax effect		718,679	134,862
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(2,136,846)	(316,181)
Other comprehensive income for the year, net of tax		(2,136,846)	(316,181)
Total comprehensive income for the year, net of tax		36,700,604	42,410,401
Earnings per equity share [nominal value per share Rs. 10/- (March 31, 2019: Rs.10/-)]			
Basic & Diluted	33	3.80	4.18
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For Hitesh Prakash Shah & Co.

Chartered Accountants

ICAI Registration No: 127614W

Hitesh P. Shah

Partner

Membership No. 124095

Place : Ahmedabad

Date : 7th Sept, 2020

UDIN No:-20124095AAAACU9403



For Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Paras .R. Shah
Company Secretary

Bhavesh S. Jain
Director
DIN:03091444

Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

CIN No:-L91110GJ1983PLC022203

Cash Flow Statement for the Year Ended on 31st March 2020

(Amount In Rupees)

Particulars	Year ended 31-03-2020	Year ended 31-03-2019
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	49,340,608	55,745,307
Adjustments to reconcile profit before tax to net cash flows:		
(Gain)/Loss on Sale/Discard of property, plant and equipment & Capital Work-in- progress (net)	162,920	-
Depreciation on property, plant, equipment & Amortisation of Assets	45,931,154	35,888,756
Finance income (including fair value changes in financial instruments)	(2,708,044)	(1,694,362)
Finance costs (including fair value changes in financial instruments)	82,016,249	65,699,252
Re-measurement loss on defined benefit plans	(2,855,525)	(451,043)
Operating Profit before working capital changes	171,887,362	155,187,910
Working capital adjustments:		
Decrease/(Increase) in trade receivables	25,714,870	(121,000,855)
Decrease/(Increase) in inventories	(70,235,774)	18,305,061
Decrease/(Increase) in loans	(276,003)	714,420
Decrease/(Increase) in other non-current financial assets	(1,540,010)	(2,757,513)
Decrease/(Increase) in other non-financial assets	(20,641,071)	(14,595,164)
(Decrease)/Increase in trade payables	20,892,477	3,947,903
(Decrease)/Increase in other current non-financial liabilities	(760,045)	(3,405,820)
Increase in provisions	6,032,575	784,232
Cash generated from operations	131,074,381	37,180,174
Direct taxes paid (net)	(10,252,738)	(7,472,130)
Net Cash (used in) generated from operating activities	120,821,643	29,708,044
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	(40,718,534)	(92,817,144)
Proceeds from sale of fixed assets	211,000	-
Redemption/maturity of bank deposits (having original maturity of more than three months)	(6,430,012)	1,665,316
Interest income	2,545,115	1,615,646
Net Cash (used in) generated from investing activities	(44,392,431)	(89,536,182)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	46,902,347	67,896,162
Short term borrowings (net)	71,904,479	15,923,826
Redemption of Preference Shares	-	(845,000)
Interest paid	(80,460,328)	(65,961,195)
Net Cash (used in) generated from financing activities	38,346,498	17,013,793
Net (Decrease)/ Increase in Cash and Cash Equivalents	114,775,710	(42,814,345)
Cash and Cash Equivalents at the beginning of the year	10,574,977	53,389,322
Cash and Cash Equivalents at the end of the year (Refer note-7)	125,350,687	10,574,977

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Cash Flow Statement".

As per our even date report attached

For, **Hitesh Prakash Shah & Co.**

Chartered Accountants

ICAI Registration No: 127614W

Hitesh P. Shah

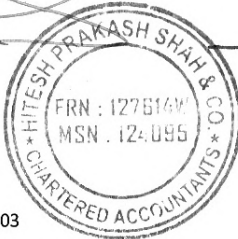
PARTNER

Membership No. 124095

Place : Ahmedabad

Date : 7th Sept, 2020

UDIN No:-20124095AAAACU9403



For, and on behalf of
Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Paras R. Shah
Company Secretary

Bhaves S. Jain
Director
DIN:03091444

P. P. Prajapati
Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

CIN No.-L91110GJ1983PLC02203

Notes to Financial Statements for the Year ended 31st March, 2020

Note No.-3 Property, Plant and Equipment, Intangible Assets and Capital work-in-progress

(a) Property, Plant and Equipment

Particulars	Right to use of Assets (Lease Hold Land)	Factory Buildings	Plant & Machinery	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
Cost								
As at 1 st April, 2018	110,067,810	13,500,137	341,487,119	1,131,820	521,826	378,960	3,970,547	471,058,219
Additions	-	286,409	238,166,879	103,482	268,506	-	-	238,825,276
Deductions / Capitalisation	-	-	-	-	-	-	-	-
Foreign Exchange difference	-	-	-	-	-	-	-	-
As at 31 st March, 2019	110,067,810	13,786,546	579,653,998	1,235,302	790,332	378,960	3,970,547	709,883,495
Additions	-	1,504,500	11,293,068	225,782	-	-	718,281	13,741,631
Deductions / Capitalisation	-	-	-	-	-	-	719,173	719,173
As at 31 st March, 2020	110,067,810	15,291,046	590,947,066	1,461,084	790,332	378,960	3,969,655	722,905,953
Depreciation/Amortization and Impairment								
As at 1 st April, 2018	3,249,364	1,205,361	49,372,121	397,212	186,159	178,062	728,251	55,316,530
Depreciation/Amortization for the year	1,624,682	508,182	32,211,101	237,440	77,057	44,834	631,018	35,334,294
Deductions	-	-	-	-	-	-	-	-
As at 31 st March, 2019	4,874,046	1,713,523	81,583,222	634,652	263,216	222,896	1,359,269	90,650,824
Depreciation/Amortization for the year	1,624,682	533,547	42,223,752	192,515	126,232	44,762	631,202	45,376,692
Deductions	-	-	-	-	-	-	345,253	345,253
As at 31 st March, 2020	6,498,728	2,247,070	123,806,974	827,167	389,448	267,658	1,645,218	135,682,263
Net Block								
As at 31 st March, 2020	103,569,082	13,043,976	467,140,092	633,917	400,884	111,302	2,324,437	587,223,690
As at 31 st March, 2019	105,193,764	12,073,023	498,070,776	800,850	527,116	156,064	2,611,278	619,232,671
As at 1 st April, 2018	106,818,446	12,294,776	292,114,998	734,608	335,667	200,898	3,242,296	415,741,689

Notes to Financial Statements for the Year ended 31st March, 2020

(b) Intangible Assets

Particulars	Rights & Title
Cost	
As at 1 st April, 2018	8,178,321
Additions	-
As at 31 st March, 2019	8,178,321
Additions \ Deductions	-
As at 31 st March, 2020	8,178,321
Amortisation and Impairment	
As at 1 st April, 2018	1,108,924
Amortisation for the year	554,462
As at 31 st March, 2019	1,663,386
Amortisation for the year	554,462
As at 31 st March, 2020	2,217,848
Net Block	
As at 31 st March, 2020	5,960,473
As at 31 st March, 2019	6,514,935
As at 1 st April, 2018	7,069,397



MARUDHAR INDUSTRIES LIMITED

Statement of Change in Equity for the year ended 31st March, 2020

A. Equity Share Capital	Numbers	Amt in Rupees
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 1 st April, 2018	10,227,625	102,276,250
Issue of Equity Share Capital	-	-
As at 31 st March, 2019	10,227,625	102,276,250
Issue of Equity Share Capital	-	-
As at 31 st March, 2020	10,227,625	102,276,250

Particulars	Reserves & Surplus					Total Other Equity
	Capital Reserve	Capital Redemption Reserve	General Reserve	Revaluation Reserve	Preference Share Redemption Reserve	
As at 1st April, 2018	25,705,000	556,000	1,186,300	105,601,419	15,845,000	319,217,681
Profit for the year	-	-	-	-	-	42,726,582
Depreciation transfer for lease hold land	-	-	-	(1,606,885)	-	1,606,885
Transfer to Capital Redemption Reserve	-	845,000	-	-	(845,000)	-
Other Comprehensive Income (Re-measurement loss on defined benefit plans)	-	-	-	-	-	-
Total Comprehensive Income	-	845,000	-	(1,606,885)	-	(316,181)
As at 31st March, 2019	25,705,000	1,401,000	1,186,300	103,994,534	15,000,000	42,410,401
Profit for the year	-	-	-	-	-	214,341,248
Depreciation transfer for lease hold land	-	-	-	-	-	38,837,450
Transfer to Capital Redemption Reserve	-	-	-	(1,606,885)	-	1,606,885
Other Comprehensive Income (Re-measurement loss on defined benefit plans)	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	(1,606,885)	-	(2,136,846)
As at 31st March, 2020	25,705,000	1,401,000	1,186,300	102,387,649	15,000,000	36,700,604
						398,328,686

As per our report of even date
For Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

Hitesh P. Shah
Partner
Membership No. 124095



Place : Ahmedabad
Date : 7th Sept. 2020
UDIN No:-20124095AAAAACU9403

For Marudhar Industries Limited

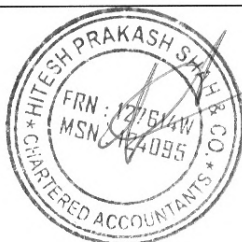
[Signature]
Bhavesh S. Jain
Director
DIN:03091444

[Signature]
Naresh S. Jain
Managing Director
DIN:00714499

[Signature]
Paras R. Shah
Company Secretary

[Signature]
P.P. Prajapati
Chief Financial Officer

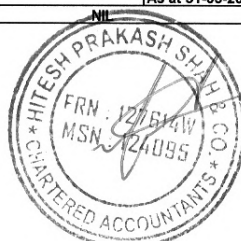
(Amount In Rupees)			
Note No.	Particulars	As at 31-03-2020	As at 31-03-2019
4	Financial Assets		
	Investments		
	Trade Investments		
	2500 (P.Y. 2500) Equity Shares of Rs.10/-each of Pennar Aluminium Ltd.	500	500
	Non-Trade Investments		
	The Green Environmental Service.Co-op Society	5,000	5,000
	Investment in Subsidiary Company (At Cost)		
	112180 (P.Y. 112180) Equity Shares of Rs. 10 each fully paid up in Sambhav Machinery Private Limited	3,111,872	3,111,872
	Total	3,117,372	3,117,372
	Current		
	Non-Current	3,117,372	3,117,372
	Total	3,117,372	3,117,372
	Aggregate book value of Unquoted Investments	3,116,872	3,116,872
	Aggregate book value of Quoted Equity Shares	500	500
	Total	3,117,372	3,117,372
	Loans (Unsecured, Considered Good)		
	Loans to Employees	1,992,967	1,716,964
	Total	1,992,967	1,716,964
	Current	586,083	1,141,964
	Non-Current	1,406,884	575,000
	Total	1,992,967	1,716,964
	Other Financial Assets		
	Interest Accrued	1,654,911	1,491,982
	Security deposits	15,966,883	14,426,873
	Total	17,621,794	15,918,855
	Current	1,654,911	1,491,982
	Non-Current	15,966,883	14,426,873
	Total	17,621,794	15,918,855
(Amount In Rupees)			
Note No.	Particulars	As at 31-03-2020	As at 31-03-2019
5	Inventories		
	Raw materials		
	Raw materials and components (including Goods in transit as at 31-03-2020 of Rs. 17,092,373/- (as at 31-03-2019 of Rs. Nil))	49,885,337	89,727,491
	Work-in-progress	193,368,489	142,161,060
	Finished goods	128,738,968	78,626,831
	Stores and spares	36,359,232	27,600,870
	Total	408,352,026	338,116,252
(Amount In Rupees)			
Note No.	Particulars	As at 31-03-2020	As at 31-03-2019
6	Trade Receivables		
	Trade receivables		
	- Unsecured, considered good	384,168,283	409,883,153
	Total	384,168,283	409,883,153
No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.			
(Amount In Rupees)			
Note No.	Particulars	As at 31-03-2020	As at 31-03-2019
7	Cash and Cash Equivalents		
	Balances with Banks		
	- In Current accounts	99,228,145	6,321,897
	- Deposits with original maturity of three months or less	25,719,619	2,970,001
	Cash in Hand	402,923	1,283,079
	Total	125,350,687	10,574,977



(Amount in Rupees)			
Note No.	Particulars	As at 31-03-2020	As at 31-03-2019
8	Other Bank Balances		
	Balances with Banks		
	- Deposits with original maturity of more than three months	29,873,150	23,443,138
	Total	29,873,150	23,443,138
(Amount in Rupees)			
Note No.	Particulars	As at 31-03-2020	As at 31-03-2019
9	Other Assets		
	Capital advances	8,505,229	3,048,010
	Prepaid expense	2,498,493	1,945,032
	Advance receivable in cash or kind		
	Advance for material and others		
	-Due to Subsidiaries	22,583,420	15,666,623
	-Balance With Revenue Authority	9,824,230	11,328,405
	-Other than Above	50,871,720	36,196,732
	Advance receivable in cash or kind	83,279,370	63,191,760
	Total	94,283,092	68,184,802
	Current	85,191,863	64,550,792
	Non-Current	9,091,229	3,634,010
	Total	94,283,092	68,184,802



10	Share Capital		
	Authorised Share Capital		
	Equity shares of Rs. 10 each	Numbers	Amount In Rupees
	As at 1 st April, 2018	10,589,000	105,890,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2019	10,589,000	105,890,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2020	10,589,000	105,890,000
	11% Non- Convertible Preference Shares of Rs. 100 each	Numbers	Amount In Rupees
	As at 1 st April, 2018	16,100	1,610,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2019	16,100	1,610,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2020	16,100	1,610,000
	10% Non- Convertible Preference Shares of Rs. 100 each	Numbers	Amount In Rupees
	As at 1 st April, 2018	200,000	20,000,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2019	200,000	20,000,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2020	200,000	20,000,000
	7% Non- Convertible Preference Shares of Rs. 100 each	Numbers	Amount In Rupees
	As at 1 st April, 2018	225,000	22,500,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2019	225,000	22,500,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2020	225,000	22,500,000
a)	Rights, preference and restriction attached to Equity Shares -The company has only one class of equity shares having a face value of Rs 10/- per share. -Each holder of equity shares is entitled to one vote per share. -The company declares and pay dividends in Indian rupees. -The proposed dividend recommended by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting. -During the year ended 31st March, 2020, the amount of per share dividend recognized as distributions to equity shareholders was Rs Nil (31 March, 2019: Rs Nil). -In the event of liquidation of the company, the holder 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.		
	Issued Share Capital	Numbers	Amount In Rupees
	Equity shares of Rs. 10 each issued, subscribed and fully paid		
	As at 1 st April, 2018	10,227,625	102,276,250
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2019	10,227,625	102,276,250
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2020	10,227,625	102,276,250
	Details of Shareholders holding more than 5% Equity Shares in the Company		
		As at 31-03-2020	
	Name of the Shareholder	No. of Shares	% held
	Shri Naresh S Jain	5,189,000	50.74%
	Shri Bhavesh S Jain	4,789,625	46.83%
		As at 31-03-2019	
		No. of Shares	% held
		5,189,000	50.74%
		4,789,625	46.83%
	As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.		
b)	Rights, preference and restriction attached to Preference shares The company has three different class of Non Cumulative Redeemable Preference shares having a face value of Rs. 100/- each. Each class of shares carry different rate of dividend. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of Shareholders at the ensuing Annual General Meeting. Each holder of Preference share is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to the Preference shares. In the event of liquidation of the company, the holders of Non Cumulative Preference shares will have priority over equity share in the payment of dividend and repayment of capital. (i) The 11% Non Cumulative redeemable Preference shares are redeemed during the Financial Year 2017-18. (ii) The 10% Non Cumulative redeemable Preference shares are redeemed during the Financial year 2018-19. (iii) The 7% Non Cumulative redeemable Preference shares are redeemable by Financial Year 2025-26.		
c)	There were no shares reserved at the year-end for issue under options and contracts / commitments for the sale of shares / disinvestment.		
d)	Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date:		
	Particulars	As at 31-03-2020	As at 31-03-2019
			As at 1-04-2018



Note No.	Particulars	Amount In Rupees
11	Other Equity	
	OTHER RESERVES	
	Capital Reserve	
	As at 1 st April, 2018	25,705,000
	Increase/(decrease) during the year	-
	As at 31 st March, 2019	25,705,000
	Increase/(decrease) during the year	-
	As at 31 st March, 2020	25,705,000
	Capital reserve is mainly used to record the amounts forfeited towards the forfeited of Preference Shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013	
	General Reserve	
	As at 1 st April, 2018	1,186,300
	Increase/(decrease) during the year	-
	As at 31 st March, 2019	1,186,300
	Increase/(decrease) during the year	-
	As at 31 st March, 2020	1,186,300
	Capital Redemption Reserve	
	As at 1 st April, 2018	556,000
	Increase/(decrease) during the year	845,000
	As at 31 st March, 2019	1,401,000
	Increase/(decrease) during the year	-
	As at 31 st March, 2020	1,401,000
	Capital Redemption Reserve is created by transfer from Preference Share Redemption Reserve an amount equal to face value of Shares bought back. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.	
	Revaluation Reserve	
	As at 1 st April, 2018	105,601,419
	Increase/(decrease) during the year	(1,606,885)
	As at 31 st March, 2019	103,994,534
	Increase/(decrease) during the year	(1,606,885)
	As at 31 st March, 2020	102,387,649
	Revaluation Reserve is created out of Revaluation of Lease hold Land and it will be utilised in accordance with the provisions of the Companies Act, 2013.	
	Preference Share Redemption Reserve	
	As at 1 st April, 2018	15,845,000
	Increase/(decrease) during the year	(845,000)
	As at 31 st March, 2019	15,000,000
	Increase/(decrease) during the year	-
	As at 31 st March, 2020	15,000,000
	The company has issued redeemable non-convertible preference shares. The company to create Preference Share Redemption Reserve (PSRR) out of profits of the company available for payment of dividend. The Company has upfront created PSRR out of retained earnings and would be utilized at the time of redemption of Preference Share.	
	Retained Earnings	
	As at 1 st April, 2018	170,323,962
	Profit for the year	42,726,582
	Depreciation transfer for lease hold land	1,606,885
	Other Comprehensive Income (Re-measurement loss on defined benefit plans)	(316,181)
	As at 31 st March, 2019	214,341,248
	Profit for the year	38,837,450
	Depreciation transfer for lease hold land	1,606,885
	Other Comprehensive Income (Re-measurement loss on defined benefit plans)	(2,136,846)
	As at 31 st March, 2020	252,648,737
	Total Other Equity As at 31st March, 2020	398,328,686
	Total Other Equity As at 31st March, 2019	361,628,082
	Total Other Equity As at 1st April, 2018	319,217,681



Note No.	Particulars	(Amount In Rupees)	
		As at 31-03-2020	As at 31-03-2019
12	Borrowings		
	Long term Fund		
	Redeemable Preference Share Capital (Refer Note-10)	15,000,000	15,000,000
		15,000,000	15,000,000
	Short term Borrowings from Bank		
	-Secured Borrowing		
	Working Capital Loans - [Refer note No. (a) & (b)]	518,011,619	387,324,688
	Letter of Credit - [Refer note No. (a) & (b)]	120,067,824	54,483,834
	Buyers Credit - [Refer note No. (a) & (b)]	16,997,591	155,618,351
	-Unsecured Borrowing		
	Credit Card Loan -	14,254,318	-
	Long Term Borrowing (Unsecured)		
	-From Subsidiary	21,457,850	21,457,850
	-From Body Corporates	65,354,569	93,500,000
	-From Directors	103,242,471	28,194,693
		859,386,242	740,579,416
	Total Borrowings	874,386,242	755,579,416
	Current	690,789,202	618,884,723
	Non-Current	183,597,040	136,694,693
	Total	874,386,242	755,579,416

a Working Capital facilities from Banks are secured by way of Hypothecation of Stock in Trade and Book Debts and personal Guarantee of some of the Directors of the Company.

b Working Capital facilities obtained from HDFC Bank carrying interest rate 10.85% and Oriental Bank of Commerce carrying interest rate 10.50% are secured by pari-pasu/Joint charge, by way of Hypothecation of Plant and Machinery, Factory Land and Building Plot no. 610-611 and 711 GIDC, Vatva Phase-IV, Ahmedabad and Equitable Mortgage of Factory Land and Building Plot of Sambhav Machinery Mfg. Pvt. Ltd. situated at 509, GIDC Phase IV, Vatva Ahmedabad and it is further secured by corporate guarantee of the company. Further the working capital loan is also secured by way of Hypothecation of residential property of Shri Naresh Jain situated at C-1101-Gala Interior, Opp. Drive In Cinema, Thaltej, Ahmedabad and residential property of Shri Bhavesh Jain situated at Flat No.-102, First Floor, Safal Param, Mauje Vejalpur, Ahmedabad.

Note No.	Particulars	(Amount In Rupees)	
		As at 31-03-2020	As at 31-03-2019
13	Trade Payables		
	Dues to Micro, Small and Medium Enterprises	87,674	1,375,894
	Dues to Key Managerial Personnel	92,287	190,310
	Dues to Key Relatives of Key Managerial Personnel	157,156	183,600
	Dues to Other than above	93,225,458	70,920,294
	Total	93,562,575	72,670,098

Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro and small enterprises is as below:

Particulars	As at 31-03-2020	As at 31-03-2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	87,674.00	1,375,894
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-

Note No.	Particulars	(Amount In Rupees)	
		As at 31-03-2020	As at 31-03-2019
14	Other Financial Liabilities		
	Interest Accrued but not due	2,321,289	765,368
	Payables in respect of capital goods (Includes Secured Creditors of Rs. 10,04,00,100 and as at 31-03-2020 of Rs. 12,14,16,607)	101,738,409	123,258,093
		104,059,698	124,023,461
	Current	28,685,743	29,588,322
	Non-Current	75,373,955	94,435,138.79
		104,059,698	124,023,461



Note No.	Particulars	(Amount In Rupees)	
		As at 31-03-2020	As at 31-03-2019
15	Other Current Liabilities		
	Interest free Advance from Customers	5,854,387	6,445,153
	Statutory dues payable	3,575,487	3,744,766
		9,429,874	10,189,919

Note No.	Particulars	(Amount In Rupees)	
		As at 31-03-2020	As at 31-03-2019
16	Provisions		
	- Provision for Employee Benefit (Refer note-26)	19,234,285	13,201,710
		19,234,285	13,201,710
	Current	10,765,131	10,323,799
	Non-Current	8,469,154	2,877,911
		19,234,285	13,201,710

Note No.	Particulars	(Amount In Rupees)	
		As at 31-03-2020	As at 31-03-2019
17	Deferred Tax		
	Liability on accelerated depreciation for tax purpose	56,995,011	57,927,178
	Asset on expenses allowed in year of payment	(4,840,885)	(3,947,311)
	Other adjustments	(3,382,559)	(3,532,756)
		48,771,567	50,447,111

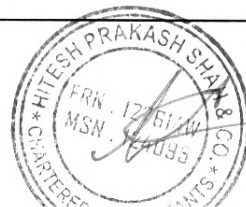
Note No.	Particulars	(Amount In Rupees)	
		As at 31-03-2020	As at 31-03-2019
18	Current Tax Liabilities		
	- Provision for Income tax (Net of Advance tax)	7,894,357	6,687,072
		7,894,357	6,687,072



MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2020

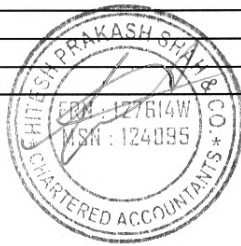
(Amount In Rupees)			
NoteNo.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
19	Value of Sales		
	Sales of Production (Finished Goods & Traded Goods)	2,183,954,295	2,385,615,693
	Revenue from Service Contracts	14,390,641	1,404,093
	Gross Revenue from operations	2,198,344,936	2,387,019,786
	Less: Purchase Return Considered as Sales	6,686,681	-
	Less: Job Work Material sent Considered as Sale*	84,647,402	-
	Add: Job Work Income *	147,529	-
	Add: Damages Claimed from Party	641,434	-
	Net Revenue From Operation	2,107,799,816	2,387,019,786
	Other Non-Operating Income		
	Duty Drawback	327,848	376,720
	Total Revenue from operations	2,108,127,664	2,387,396,506
Note: During the year GST of Rs.36,89,13,076/- (Previous Year Rs.40,81,52,689) has been collected on the sales amount. * Its full value as per Invoices has been considered as sales under GST Laws.			
i)	Disaggregated revenue Information		
	Type of Goods & Services		
	a) Aluminium Division	1,114,776,076	1,419,602,957
	b) Plastic Division	983,512,748	969,180,732
	c) Revenue From Service Contracts with Customers	14,390,641	1,404,093
	Gross Revenue	2,112,679,465	2,390,187,782
	Less : Inter Segment Revenue	(4,879,650)	(3,167,996)
	Total Revenue From Operation	2,107,799,815	2,387,019,786
	India	2,080,327,215	2,316,730,359
	Outside India	27,472,601	73,457,423
	Total	2,107,799,816	2,390,187,782
ii)	Revenue from sale of products are recorded at a point of time of Rs. 2,093,409,175/- (March 31, 2019 Rs. 2,385,615,693/-) and those from sale of services are recognised over a period of time of Rs. 14,390,641/- (March 31, 2019 Rs. 1,404,093/).		
iii)	Set Out Below is the amount of revenue recognised from	(Amount In Rupees)	
	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
	Amount Of Contract Liability (Advance Customers) at the beginning of the year	6,445,153	4,482,655
	Performance obligation satisfied during the previous year	5,710,434	4,482,655
iv)	Contract Balances:-	(Amount In Rupees)	
	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
	Trade Receivables	384,168,283	409,883,153
	Contract Liabilities	5,854,387	6,445,153
(Amount In Rupees)			
NoteNo.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
20	Other Income		
	Interest income on		
	Security Deposits	774,581	731,729
	Bank deposits	2,708,044	1,694,362
	Others	-	425,194
	Other non-operating income		
	Insurance Claim	739,017	850,626
	Total	4,221,642	3,701,911



NoteNo.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
21	Cost of raw material and components consumed		
	- Opening Inventory	89,727,491	150,612,710
	- Add: Purchases	1,700,760,503	1,926,240,117
		1,790,487,994	2,076,852,827
	- Less: Closing Inventory	49,885,337	89,727,491
	Cost of raw materials and components consumed	1,740,602,657	1,987,125,336
(Amount In Rupees)			
NoteNo.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
22	(Increase)/Decrease In Inventory		
	Inventories at the end of the year		
	- Work in Progress	193,368,489	142,161,060
	- Finished Goods	128,738,968	78,626,831
		322,107,457	220,787,891
	Inventories at the beginning of the year		
	- Work in Progress	142,161,060	149,564,889
	- Finished Goods	78,626,831	46,721,577
		220,787,891	196,286,466
	(Increase)/Decrease In Inventory		
	- Work in Progress	(51,207,429)	7,403,829
	- Finished Goods	(50,112,137)	(31,905,254)
		(101,319,566)	(24,501,425)
(Amount In Rupees)			
NoteNo.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
23	Employee Benefits		
	Salaries, wages and bonus		
	-Remuneration Paid to Key Managerial Person	2,994,362	3,406,951
	-Sitting Fees Paid to Key Managerial Person	50,000	100,000
	-Paid to Others	84,800,235	65,653,466
	Contribution to provident and other funds	7,888,406	8,325,528
	Gratuity expense	3,210,758	3,024,303
	Staff welfare expenses	1,338,505	1,485,771
	Total	100,282,266	81,996,019
(Amount In Rupees)			
NoteNo.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
24	Finance Cost		
	Interest on debts and borrowings	66,468,556	53,652,648
	Bank charges & Commission	8,089,489	3,787,067
	Interest others	7,458,204	8,259,537
	Total	82,016,249	65,699,252
(Amount In Rupees)			
Note No.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
25	Depreciation and Amortization Expenses		
	Depreciation of tangible assets (Refer Note 3)	45,376,692	35,334,294
	Depreciation of intangible assets (Refer Note 3)	554,462	554,462
	Total	45,931,154	35,888,756



NoteNo.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
26	Other Expense		
	Power and Fuel	93,576,261	93,405,858
	Repairs and Maintenance		
	- Plant & Machinery	6,706,931	9,936,446
	- Building	354,590	136,332
	- Others	840,853	319,743
	Stores Consumption	64,671,222	50,408,583
	Donation Expenses	724,400	56,711
	Factory General	5,284,628	4,904,380
	Water Charges	291,830	276,830
	Rent	4,134,500	2,906,150
	Rates & Taxes	434,168	525,739
	Legal, Professional & Consultancy	4,888,835	6,018,354
	Telephone Expenses	344,043	372,338
	Travelling Expenses	1,296,291	1,448,462
	Insurance Charges	2,940,364	2,507,208
	Conveyance Expenses	1,125,628	1,165,208
	Payment to Statutory Auditor (Refer Note-a)	260,000	285,000
	Printing & Stationery	512,188	418,233
	Postage and Telegram	666,521	502,977
	General Expenses	1,311,041	886,824
	Foreign Exchange rate Fluctuation Loss/(Gain)	(1,360,912)	4,532,951
	Loss on Sale of Property, Plant & Equipments	162,920	-
	Loss on Derivatives Transactions	-	3,545,286
	Commission	2,098,073	1,531,621
	Advertisement & Sales Promotion	1,022,623	1,808,939
	Bad Debts & Vatav Kasar and Sundry Balance written Off (Net)	3,208,940	740,280
	TOTAL	195,495,938	188,640,453
a)	Payments to Auditors		
	As Auditor:		
	- Audit Fee	240,000	240,000
		240,000	240,000
	In other capacity:		
	- Other Services	20,000	45,000
		20,000	45,000
	Total	260,000	285,000



Notes to Financial Statements for the Year Ended 31st March, 2020

		(Amount in Rupees)	
Note No.	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
27	Income Tax		
	The major component of income tax expense for the years ended 31 st March, 2020 and 31 st March, 2019 are :		
	Statement of Profit and Loss		
	Current tax		
	Current income tax	9,829,351	10,706,781
	Deferred tax		
	Deferred tax expense/(benefit)	(1,675,544)	6,406,796
	Tax in respect of Earlier years	2,349,351	(4,094,852)
	Income tax expense reported in the Statement of Profit and Loss	10,503,158	13,018,725
	Other comprehensive income (OCI)		
	Deferred tax related to items recognised in OCI during the year		
	Re-measurement loss on defined benefit plans	718,679	134,862
	Deferred tax credited to OCI	718,679	134,862
	Total Income Tax for the year ended	9,784,479	12,883,863
a)	Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31 st March, 2020 and 31 st March, 2019:		
		(Amount in Rupees)	
	Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
	Accounting Profit before tax	49,340,608	55,745,307
	Enacted income tax rate in India applicable to the Company	25.17	29.90
	Tax using the Company's domestic tax rate	12,418,044	16,667,847
	Tax effects of :		
	Non-deductible expenses	1,437,478	1,459,493
	Others	(4,071,043)	(5,243,477)
	At the effective income tax rate of 31st March, 2020: 19.83% (31st March, 2019: 23.11%)	9,784,479	12,883,863
b)	Deferred Tax	(Amount in Rupees)	
	Particulars	Statement of Profit and Loss	
		Year Ended 31-03-2020	Year Ended 31-03-2019
	Liability on accelerated depreciation for tax purpose	(932,167)	4,519,349
	Asset on expenses allowed in year of payment	(893,574)	2,050,900
	Other adjustments	150,197	(163,453)
		(1,675,544)	6,406,796



28 Employee Benefits Expense

28.1 A. Defined contribution plans:

Amount of Rs. 7,888,406/- (31st March, 2019: Rs. 8,325,528/-) is recognised as expenses and included in Note No. 23 "Employee benefits expense"

Particulars	Year ended 31-03-2020	Year ended 31-03-2019
Provident Fund	6,382,378	6,369,747
Contributory employee Safety Insurance	1,506,028	1,955,781
Gujarat Labour Welfare Fund	4,920	4,992
	7,893,326	8,330,520

B. Defined benefit plans:

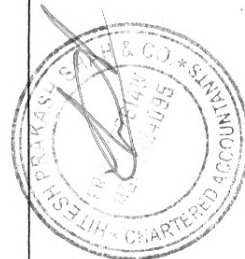
The Company operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The gratuity plan is governed by the payment of Gratuity Act, 1972.

31st March, 2020 : Changes in defined benefit obligation and plan assets

Particulars	1 st April, 2019	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid (excluding amounts included in net interest expense)	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31 st March, 2020
Gratuity												
Defined benefit obligation	30,496,325	2,496,452	2,375,664	4,872,116	(463,407)	-	-	3,144,576	(480,512)	2,664,064	-	37,569,098
Fair value of plan assets	22,092,854	-	1,721,033	1,721,033	(463,407)	(191,461)	-	-	-	(191,461)	-	23,159,019
Benefit liability	8,403,471	2,496,452	654,631	3,151,083	-	191,461	-	3,144,576	(480,512)	2,855,525	-	14,410,079
Total benefit liability	8,403,471	2,496,452	654,631	3,151,083	-	191,461	-	3,144,576	(480,512)	2,855,525	-	14,410,079

31st March, 2019 : Changes in defined benefit obligation and plan assets

Particulars	1 st April, 2018	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid (excluding amounts included in net interest expense)	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31 st March, 2018
Gratuity												
Defined benefit obligation	26,558,900	2,375,071	2,066,282	4,441,353	(743,914)	-	-	(29,391)	269,377	239,986	-	30,496,325
Fair value of plan assets	18,645,376	-	1,450,610	1,450,610	(743,914)	(211,057)	-	-	-	(211,057)	2,951,839	22,092,854
Benefit liability	7,913,524	2,375,071	615,672	2,990,743	-	211,057	-	(29,391)	269,377	451,043	(2,951,839)	8,403,471
Total benefit liability	7,913,524	2,375,071	615,672	2,990,743	-	211,057	-	(29,391)	269,377	451,043	(2,951,839)	8,403,471



Notes to Financial Statements for the Year Ended 31st March, 2020

28.2 The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at 31-03-2020	As at 31-03-2019
Insurance Funds	23,159,019	22,092,854
(%) of total plan assets	100.00%	100.00%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31-03-2020	Year ended 31-03-2019
Discount rate	6.89%	7.79%
Future salary increase	7.00%	7.00%
Expected rate of return on plan assets	6.89%	7.79%
Employee Turnover Rate	3.00%	3.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A	N.A

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(increase) / decrease in defined benefit obligation (Impact)

Particulars	Sensitivity level	As at 31-03-2020	As at 31-03-2019
	1% increase	(3,466,410)	(2,712,627)
Discount rate	1% decrease	4,097,523	3,195,123
	1% increase	3,763,137	2,962,330
Salary increase	1% decrease	(3,311,607)	(2,612,867)
	1% increase	(16,396)	221,657
Employee turnover	1% decrease	10,641	(259,598)

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	As at 31-03-2020	As at 31-03-2019
Within the next 12 months (next annual reporting period)	4,069,527	3,817,038
Between 2 and 5 years	6,094,149	5,416,414
Beyond 5 years	80,286,086	72,659,938
Total expected payments	90,449,762	81,893,390

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31-03-2020 Years	As at 31-03-2019 Years
Gratuity	15	15

The followings are the expected contributions to planned assets for the next year:

Particulars	As at 31-03-2020	(Amount in Rs.) As at 31-03-2019
Gratuity	5,940,925	5,525,560



Notes to Financial Statements for the Year Ended 31st March, 2020

29 COMMITMENTS AND CONTINGENCIES

a) Contingent Liabilities :-

Sr. No.	Particulars	(Amount in Rupees)	
		As at 31-03-2020	As at 31-03-2019
a)	Bills discounted and not matured	3,513,677	3,937,433
b)	Bank Guarantee	9,997,136	9,175,000

b) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 16,936,763/- (31-03-2019 Rs. 1,90,83,793/-)

30 Segment Information

The segment report is given in consolidated financial statements.

31 Related Party disclosures

As required by Indian Accounting Standard - 24 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

A Relationships

Key Management Personnel

Mr. Naresh S Jain	Managing Director
Mr. Bhavesh S Jain	Director
Mr. Satish Sampatraj Shah	Director
Ms. Darsha R. Kakani	Director
Mr. Narendra Navalakha	Director
Mr. Paresh P. Prajapati	Chief Financial Officer
Mr. Paras R. Shah	Company Secretary

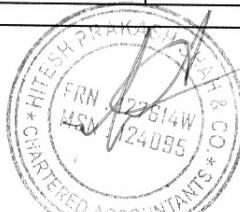
B Relatives of Key Management Personnel

-Mrs. Amanpreetkaur Sethi	Spouse of Bhavesh S Jain
-Mrs. Nimisha N. Jain	Spouse of Naresh S Jain

C Associate Concern

Sambhav Machinery Private Limited	Subsidiary Company
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Particulars	(Amount in Rupees)	
	2019-20	2018-19
Remuneration Paid :		
-Mr. Naresh S. Jain	1,332,652	1,363,114
-Mr. Bhavesh S. Jain	1,332,652	1,363,114
Receipt of Loan		
-Mr. Naresh S. Jain	40,435,000	12,683,562
-Mr. Bhavesh S. Jain	45,000,000	11,000,000
Repayment of loan		
-Mr. Naresh S. Jain	10,652,222	18,838,646
-Mr. Bhavesh S. Jain	2,975,000	26,942,500
Salary		
-Mrs. Amanpreetkaur Sethi	1,745,142	1,745,142
-Mrs. Nimisha N. Jain	1,009,585	1,023,531
-Mr. Paresh P. Prajapati	288,449	294,001
-Mr. Paras R. Shah	390,837	386,722
Rent Paid		
-Mr. Naresh S. Jain	1,800,000	1,140,000
-Mr. Bhavesh S. Jain	1,800,000	900,000
-Sambhav Machinery Private Limited	300,000	300,000
Interest Paid		
-Mr. Naresh S. Jain	-	997,445
-Mr. Bhavesh S. Jain	-	468,940
Sitting Fees		
- Darsha R. Kakani	50,000	100,000
Sambhav Machinery Private Limited		
-Machinery Purchase	1,156,000	3,466,132
-Job work Expenses	1,399,000	2,626,090
-General Store Purchase	-	3,634,057
Advances given for Material, Capital Goods & Others		
Sambhav Machinery Private Limited	22,583,420	15,666,623



34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

34.1 Category-wise Classification of Financial Instruments:

(Amount in Rupees)

Particulars	Refer Note	As at 31-03-2020		
		Fair Value through profit or loss	Amortized cost	Carrying Value
Financial assets				
Investments in unquoted equity shares of subsidiary company	4	-	3,111,872	3,111,872
Investments in Co. Op. Society	4	5,000	-	5,000
Investments in quoted equity shares	4	500	-	500
Trade receivables	6	-	384,168,283	384,168,283
Cash and cash equivalents	7	-	125,350,687	125,350,687
Other bank balance	8	-	29,873,150	29,873,150
Loans	4	-	1,992,967	1,992,967
Other financial assets	4	-	17,621,794	17,621,794
Total		5,500	562,118,753	562,124,253
Financial liabilities				
Borrowings	12	-	874,386,242	874,386,242
Trade payables	13	-	93,562,575	93,562,575
Other financial liabilities	14	-	104,059,698	104,059,698
Total		-	1,072,008,515	1,072,008,515

(Amount in Rupees)

Particulars	Refer Note	As at 31-03-2019		
		Fair Value through profit or loss	Amortized cost	Carrying Value
Financial assets				
Investments in unquoted equity shares of subsidiary company	4	-	3,111,872	3,111,872
Investments in Co. Op. Society	4	5,000	-	5,000
Investments in quoted equity shares	4	500	-	500
Trade receivables	6	-	409,883,153	409,883,153
Cash and cash equivalents	7	-	10,574,977	10,574,977
Other bank balance	8	-	23,443,138	23,443,138
Loans	4	-	1,716,964	1,716,964
Other financial assets	4	-	15,918,855	15,918,855
Total		5,500	464,648,959	464,654,459
Financial liabilities				
Borrowings	12	-	755,579,416	755,579,416
Trade payables	13	-	72,670,098	72,670,098
Other financial liabilities	14	-	124,023,461	124,023,461
Total		-	952,272,975	952,272,975

34.2 Category-wise Classification of Financial Instruments:

(a) Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

Level:1 Input are quoted prices (unadjusted) in the active market for identical asset and liability

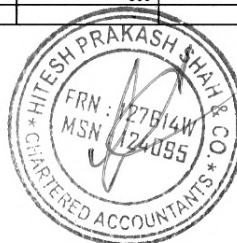
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level:3 Input are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part using the valuation method based on the assumption that are neither supported by price from observable in the current market transactions in the same instruments nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

(Amount in Rupees)

Particulars	As at 31-03-2020		As at 31-03-2019	
	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)
Financial Assets (measured at FVTPL) (Refer Note 4)				
Investments in quoted equity shares	500	-	500	-
Investments in Co. Op. Society	-	5,000	-	5,000



(b) Financial Instrument measured at Amortized Cost

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

35. Financial instruments risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company does not enter in to any derivative financial instruments, such as foreign exchange forward contracts.

The Company's risk management is carried out by the corporate finance. The corporate finance identifies and evaluates risks in close co-operation with the Company's Business Heads. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative, financial instruments, and investment of excess liquidity.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, investments, trade and other receivables, trade and other payables.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

The Company is exposed to change in interest rate due to its financing and cash management activities. The risk arising from interest rates movements arise from borrowings with variable interest rates. The company manages interest risk by having a balance portfolio of fixed and variable rates loans and borrowings.

The company's risk management activities are subject to management, direction and control of the treasury team under the framework of risk management policy for interest rate risk. The treasury team ensure appropriate financial risk, governance framework for the company through appropriate policies and procedures and that finance risk are identified, measured and managed in accordance with the policies and risk objectives.

For company total borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease is used which represents management assessment for the reasonability possible change in the interest rates.

(Amount In Rupees)		
Particulars	As at 31st March 2020	As at 31st March 2019
Total Borrowings	869,386,242	665,579,416

In case fluctuation in interest rates by 50 basis points and all other variable were held constant, the company's profit for the year would increase or decrease as follows:

(Amount In Rupees)		
Particulars	For the Year ended on 31-03- 2020	For the Year ended on 31-03- 2019
Impact on profit for the year	4,346,931	3,327,897

ii) Foreign currency risk

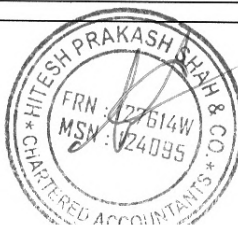
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company does not enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognized underlying assets/liabilities and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

Foreign Currency exposure not covered by derivative instruments or otherwise as at 31st March is as under:

Particulars	Currency	Amount in Foreign Currency		Equivalent Indian Rupees	
		As at 31-03-2020	As at 31-03-2019	As at 31-03-2020	As at 31-03-2019
Trade Receivables	USD	8,248	107,942	621,248	7,501,725
	EURO	-	-	-	-
Trade Payables	USD	-	233,408	-	16,221,827
	EURO	1,209,931	1,557,508	100,400,100	121,563,505
Borrowing, Buyers Credit & Letter of Credit	USD	881,542	-	66,397,752	-
	EURO	-	-	-	-
Net Balance	USD	(873,294)	(125,466)	(65,776,505)	(8,720,102)
	EURO	(1,209,931)	(1,557,508)	(100,400,100)	(121,563,505)

The Company is mainly exposed to changes in USD & EURO. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD & EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Particulars	Impact on Profit before tax in Indian Currency	
	For the year ended 31-03-2020	31-03-2019
USD Sensitivity		
RUPEES / USD – Increase by 1%	(657,765)	(87,201)
RUPEES / USD – Decrease by 1%	657,765	87,201
EURO Sensitivity		
RUPEES / USD – Increase by 1%	(1,004,001)	(1,215,635)
RUPEES / USD – Decrease by 1%	1,004,001	1,215,635



(b) **Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognized financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Concentrations of Credit Risk form part of Credit Risk

During the year ended 31st March, 2020, sales to a customer approximated Rs. 1750.40 Lacs or 8.30 % of net revenue (for the year ended 31st March 2019, sales to customer approximated Rs. 2172.25 Lacs or 9.09 % of net revenue). Accounts receivable from such customer approximated Rs. 718.83 Lacs at 31st March, 2020. (Rs. 397.75 Lacs at 31st March, 2019)

(c) **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimized cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount In Rupees)

Particulars	On Demand	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31 st March, 2020					
Borrowings	669,331,352	-	205,054,890	-	874,386,242
Trade payables	93,562,575	-	-	-	93,562,575
Other financial liabilities	3,659,598	28,685,735	71,714,366	-	104,059,698
Year ended 31 st March, 2019					
Borrowings	597,426,873	-	158,152,543	-	755,579,416
Trade payables	72,670,098	-	-	-	72,670,098
Other financial liabilities	2,606,854	26,981,468	94,435,139	-	124,023,461

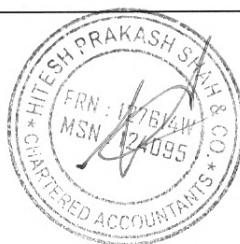
35.2 Capital Management

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Capital structure of the Company is as follows:

(Amount In Rupees)

Particulars	As at 31-03-2020	As at 31-03-2019
Equity share capital	102,276,250	102,276,250
Other Equity	361,628,082	319,217,681
Total Equity	463,904,332	421,493,931



Notes to Financial Statements for the Year Ended 31st March, 2020

36 Disclosure of significant interest in subsidiaries as per paragraph 17 of Ind AS 27

Name of Entity	Relationship	Place of Business	Ownership%
Sambhav Machinery Private Ltd.	Subsidiary	Ahmedabad, Gujarat	100.00%

Note : Method of accounting investment in subsidiary is at cost.

37 Events occurred after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 07th Sept, 2020 there were no subsequent events to be recognized or reported that are not already previously disclosed.

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

For, and on behalf of
Marudhar Industries Limited

Hitesh P. Shah
PARTNER
Membership No. 124095



Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

Place : Ahmedabad
Date : 7th Sept, 2020
UDIN No:-20124095AAAACU9403

Paras R. Shah
Company Secretary

Paresh P. Prajapati
Chief Financial Officer

1. CORPORATE INFORMATION:

MARUDHAR INDUSTRIES LIMITED (the "Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India. Its shares are listed on Calcutta Stock Exchange Limited. The registered office of the Company is located at 610-611, Phase-VI, GIDC Vatva, Ahmedabad. The Company is engaged in the manufacturing of Aluminium Foils & Strips and Printed Plastics & Pouches. The Company caters to both domestic and international markets.

The financial statements were authorized for issue in accordance with a resolution passed in Board Meeting held on 7th September 2020.

2. BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statement.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments) and derivative financial instruments.

The financial statements are presented in Rupees.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. CURRENT VERSUS NON-CURRENT CLASSIFICATION:

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve month as its operating cycle.

b. FOREIGN CURRENCIES:

The Company's financial statements are presented in Rupees, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the Company's functional currency at the exchange rates prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements.

Exchange differences arising on settlement of such transactions and on translation of monetary items are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on the dates of the initial transactions.



c. FAIR VALUE MEASUREMENT :

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be premeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

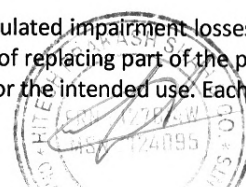
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant accounting judgments, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

d. PROPERTY, PLANT AND EQUIPMENT (PPE):

PPE and Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalization criteria are met, the cost of replacing part of the property, plant and equipment and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of



an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

CWIP comprises of cost of PPE that are yet not installed and not ready for their intended use at the Balance Sheet date.

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

The Company calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013, except in respect of following fixed assets:

(i) Long Term Lease hold land is amortized over a period of 99 years, being the lease term.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

e. INTANGIBLE ASSETS:

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets in the form of Rights & Titles are amortized over a period of 20 years on a straight-line basis. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

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

f. IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g. BORROWING COSTS:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h. LEASES:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee :

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. A leased asset is depreciated over the useful life of the asset.



term.

i. FINANCIAL INSTRUMENTS:

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

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments - measured at amortized cost
- Debt instruments, derivatives and equity instruments - measured at fair value through Profit and Loss (FVTPL)
- Equity instruments - measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

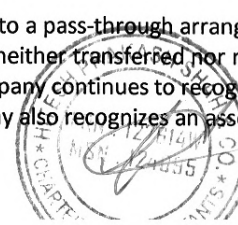
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated



...ing, the transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial guarantee contracts which are not measured at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortized cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement

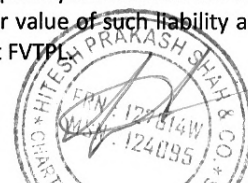
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through Statement of Profit and Loss.

Financial liabilities at fair value through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Statement of Profit and Loss. The Company has not designated any financial liability at FVTPL.



After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value through Statement of Profit and Loss (FVTPL), adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

j. INVENTORIES:

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realizable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

k. REVENUE:

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized.

i) Sale of Goods



The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of GST, trade discounts & other taxes, adjustments for late delivery charges, material returned/rejected and material sent for Job Work treated as sales.

ii) The Company accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognized on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

iii) Dividend is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

iv) Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities (Advance from customers)

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

I. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Company has no obligation, other than the contributions payable to provident fund and superannuation fund. The Company recognizes contribution payable to these funds as an expense, when an employee renders the related service.

In respect of gratuity liability, the Company operates defined benefit plan wherein contributions are made to a separately administered fund. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each reporting date being carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs; and
- Net interest expense or income

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis management discretion and the liability is recognized in the Statement of Profit and Loss. The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

m. TAXES:

Tax expense comprises of current income tax and deferred tax.

Current income tax:



Current income tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- ▶ When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit and Loss.
- ▶ In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against the deductible temporary differences, except:

- ▶ When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ▶ In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

n. PROVISIONS:

Provisions are recognized 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. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

o. EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

p. CASH AND CASH EQUIVALENT:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

q. CASH DIVIDEND:



2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

Estimates and assumptions

(a) Defined benefit plans (gratuity benefits)

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Further details about gratuity obligations are given in note.

(b) Fair value measurement for financial instruments

2.3 Changes in accounting policies and disclosures

New and mended standards

Ind AS 116: Leases

