

AMIT SPINNING INDUSTRIES LIMITED



27th Annual Report
■■■■ 2018-2019

BOARD OF DIRECTORS

Deepak Choudhari (Chairman)
Jitendrakumar Chopra (Managing Director)
Sharmiladevi Chopra (Non- Executive Director)
Satish Murabatte (Non Executive/Independent Director)
Amol Kanwade (Non Executive/Independent Director)
Mahaveer Bhandari (Non Executive/Independent Director)

AUDITORS

Sanjay Vhanbattee & Co.
Chartered Accountants
Kolhapur

CHIEF FINANCIAL OFFICER

Shreyans Rajendra Choudhari

COMPANY SECRETARY

Aniruddha Badkatte

BANKERS

HDFC Bank Ltd.

REGISTERED OFFICE

E 43/1, Okhla Industrial Area,
Phase - II, New Delhi - 110020

REGISTERED & CORPORATE OFFICE

E-43/1, Okhla Industrial Area,
Phase - II, New Delhi - 110020
Tel : 011-2638 7320
Fax : 011-2638 7388

REGISTRAR & TRANSFER AGENTS

M/s. RCMC Share Registry Pvt. Ltd.
B-25/1, Okhla Industrial Area, Phase-II,
Near Rana Motor, New Delhi - 110020
Tel.: 011-26387320 Fax : 011-26387322

PLANT

Gat No. 47 & 48, Sangavade Village
Kolhapur - Hupari Road
Taluka Karveer
Dist. Kolhapur 416 202
MAHARASHTRA
Ph.: 0231 - 2676106/2676108/2676110
Fax : 0231-2676164

27th AGM

- Date : September 26, 2019 Time 11:30 A.M.
Venue : Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, New Delhi - 110 019
- Book Closure : Saturday, the 14 st September, 2019 to Thursday, the 26th September 2019 (both days inclusive)

INDEX	
	Page No.
Board's Report Including Management Discussions & Analysis Report	1
Annexures to Boards' Report	6
Corporate Governance	9
Auditor's Report	16
Balance Sheet	24
Statement of Profit & Loss	25
Cash Flow Statement	26
Notes	27

BOARD'S REPORT

Dear Members,

Your Directors have great pleasure in presenting the 27th Annual Report together with Audited Statements of Accounts of the Company for the year ended March 31, 2019.

FINANCIAL RESULTS:

The summarized financial results for the year ended March 31, 2019 as compared to the previous year are as follows:

(₹ in Lakhs)

Particulars	2018-2019	2017-2018
Revenue from Operation	-	-
Other Income	-	0.19
Profit before depreciation, interest finance charges and tax (PBDIT)	(296.86)	(3306.26)
Less: Interest and Finance Charges	132.25	86.17
Less: Depreciation	278.43	269.68
Profit/(Loss) before Tax (PBT)	(707.54)	(3,662.11)
Less : Tax Expense/Deferred Tax	0	0
Profit/(Loss) after Tax (PAT)	(707.54)	(3,662.11)
Other Comprehensive Income	-	-
Total Comprehensive Income	(707.54)	(3,662.11)

FINANCIAL ANALYSIS AND PERFORMANCE REVIEW

The company's operations remain suspended during the year under review resulting in no revenue from operations.

The National Company Law Tribunal Vide its order dated 31 July 2018 approved the resolution plan as submitted by resolution applicants for the company pursuant to the Corporate Insolvency Resolution Process initiated as per the provisions of the Insolvency and Bankruptcy code, 2016.

After obtaining physical possession of the factory the company has carried out repairs and maintenance activities and started its trail production from 2 May 2019.

MANAGEMENT PERCEPTION ON OPPORTUNITIES, RISKS, CONCERN & OUTLOOK

The Indian government has come up with the Revised Restructured Technology Up gradation Fund Scheme (RRTUFS), 10% capital subsidy to the specified technical textile machinery, allowing 100% FDI in the Indian textiles sector under the automatic route may increase the profits in the coming years, the future of the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players. Further, the Textile Ministry has also introduced a new textile policy to promote value additions which sets a target of doubling textile exports in next 10 years.

The major factors hindering progress of the textiles industry are Increase in the power costs, higher transaction costs, high cost of labour and general increase in input costs, thus the industry has to concentrate on cost reduction exercises and improvement in efficiency. Another key challenge presently is the Fiber/Raw Material cost, which is increasing abruptly and increase is not fully absorbed in the yarn prices and accordingly yarn spinners are hit the most in the entire textile chain. Due to fluctuating prices and uncertainties in the foreign exchange market, increase in power cost, introduction of GST and lack of adequate working capital, the EBITA levels may remain stagnant during the year.

Further, to overcome the losses promptly in this challenging scenario, the Management is keeping a close watch on various threats/risks facing the company and taking all appropriate steps to start of manufacturing unit to its full capacity.

SEGMENT-WISE PERFORMANCE

Amit Spinning Industries Ltd. (ASIL) being a cotton yarn manufacturer has only one business segment. On the basis of geographical categorization of market, ASIL identified two segments i.e. exports and domestic.

During the year under review, Company has not manufactured yarn.

SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As there are no subsidiaries/ associates / joint ventures of the Company, the provisions contained in Companies Act, 2013/SEBI (LODR) Regulations relating to subsidiaries are not applicable.

DIVIDEND

During the year under review, the Company has no distributable profits hence directors regret their inability to recommend any dividend for financial period 2018-19.

SHARE CAPITAL

The Company's Authorized Share Capital as on 31st March, 2019 stands at Rs. 25,00,00,000/- and issued & paid up capital as on 31st March, 2019 stands at Rs. 20,58,48,335/- divided into 4,11,69,667 fully paid up equity shares of Rs. 5/- each. During the year, under review, the Company has not issued any share(s). Further the Company has not issued any

share with differential Voting Rights/Sweat Equity shares/under Stock Option Scheme (ESOS) earlier and during the year. During the year under review, the Company had initiated corporate action as per approved resolution plan, which includes reduction and consolidation of face value of shares, Extinguishment of shares held by previous promoters and Top 10 Shareholders and the same in process of implementation.

The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Change in Directors and Key Managerial Personnel

Mr. Jitendrakumar Goutamchand Chopra has been appointed as an Additional Director and designated as Executive Managing Director on the Board of the Company with effect from 10th August, 2018.

Mr. Deepak Chaganlal Choudhari has been appointed as an Additional Director and designated as Executive Joint Managing Director on the Board of the Company with effect from 10th August, 2018.

Mrs. Sharmila Devi J Chopra has been appointed as a Woman Non-Executive Director on the Board of the Company with effect from 10th August, 2018.

Mr. Satish Murabatte and Mr. Amol Kanwade were appointed as Non Executive Independent Directors w.e.f 15 November 2018 and Mr. Mahaveer Bhandari was appointed as Non Executive Independent Director w.e.f 31 May 2019.

Mr. S P Setia Non Executive Independent Director and Mr. Vijaybhan Singh Non Executive Director resigned w.e.f 15 November 2018 and Mrs. Shivani Gupta Non Executive Independent Director resigned w.e.f 15 March 2019.

Mr. Aniruddha Badkatte has been appointed as a Company Secretary of the Company with effect from 10th August, 2018.

Mr. Shreyans Rajendra Choudhari has been appointed as a Chief Financial Officer of the Company with effect from 10th August, 2018.

Ms. Shifali Gupta resigned as the Compliance Officer w.e.f 3 October 2018 and Mr. Aniruddha Badkatte was appointed Compliance Officer from 4 October 2018.

Brief resume of the Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas and names of the companies in which they hold directorship and membership/chairmanships of the Board or its Committees, as stipulated under SEBI (LODR) Regulations entered into by the Company with stock exchanges in India, is provided in the Report of Corporate Governance forming part of the Annual Report.

(b) Number of Meetings of the Board

After Commencement of CIRP, Mr. Parveen Bansal was appointed as Resolution professional. As per Section 17 of the Insolvency and Bankruptcy code 2016 upon appointment of IRP the powers of Board of Directors stands suspended and such powers are exercised by the RP/IRP appointed for the Company.

During the year under review and after the order of NCLT date 31 July 2018, Five meetings of the Board were held during the year. The detailed information regarding meetings of the Board held during the year is mentioned in the Corporate Governance Report which forms part to this report.

(c) Declaration by Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations.

(d) Annual Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

(e) Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is enumerated in the Corporate Governance Report. During the year, neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2019 and of the profit and loss of the company for that period;

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

RELATED PARTY TRANSACTIONS

None of the transactions with related parties falls under the scope of section 188(1) of the Act. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related parties transactions entered into by the Company with Holding Company/ Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Prior omnibus approval of the Audit Committee was obtained for Related Party Transactions for the year ended 31st March, 2019 and for transactions proposed to be entered into with related parties for the financial year 2019-20 were placed before the said committee and consent of the said committee was obtained.

The policy on Related Party Transactions as approved by the Board has been uploaded on the website www.amitspinningindustries.com. None of the Directors has any pecuniary relationships or transactions vis-a-vis the Company. Since all related party transactions entered into by the Company were in ordinary course of business and were on an arm's length basis, form AOC - 2 is not applicable to the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

The Company had started trial production of manufacturing of yarn from 2 May 2019 at its factory located at Sangawade Kolhapur.

AUDITORS AND AUDITORS REPORT

(a) Statutory Auditor & Audit Report

Statutory Auditors i.e, M/s Sanjay Vhanbatte, have submitted Auditors' Report on the accounts of the Company for the period ended 31st March 2019. The Auditor's Report read with Notes to Accounts is self-explanatory and does not call for any further explanation under Section 134 of the Companies Act, 2013. Directors' response to the various observations of the auditors made in their report, have been explained wherever necessary through appropriate notes to accounts.

(b) Cost Auditor:

The Company have not produced any yarn in the year 2018-19, the Companies (Cost Records and Audit Rules), 2014 is not applicable to the Company.

(c) Secretarial Auditor & Audit Report:

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. PPS and Associates, Practicing Company Secretaries as Secretarial Auditor to carry out the secretarial audit for the financial year 2018-19.

The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as Annexure 1 to this Report.

The qualifications/observations/remarks made by the Secretarial Auditors and management's view thereon are given in their Report attached hereto. New management had taken over the Company after the NCLT order the handover process was initiated. Due to this their was delay in submission of Financial result for september quarter.

(d) Internal Audit

Pursuant to provisions section 138 of Companies act 2013 read with Companies (Accounts) Rules 2014, the board on recommendation of Audit Committee appointed Thigale Utturkar and Associates Chartered Accountants as the Internal Auditor of the Company. The Management regularly reviews the findings of the Internal Auditor and takes effective steps to implement suggestions of the Internal Auditor.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has established adequate internal control systems, commensurate with its size and nature of business and such systems are periodically audited, verified and reviewed for their validity, considering the changing business scenario from time to time, the Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them.

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of annual return in Form MGT-9 as required under Section 92(3) of the Companies Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website www.amitspinningindustries.com.

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

As there is no operation/production during the year under review, the information as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014 is not applicable.

PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) & 5(3) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, shall be made available to any shareholder on a specific request made by him in writing on or before 26th September, 2019

DEPOSITS

The Company has not accepted or renewed any deposit during the year and there are no outstanding and/or overdue deposits as at 31st March, 2019.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

VIGIL MECHANISM

The Company has framed and implemented a vigil mechanism named as Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are provided in the Corporate Governance Report and also hosted on the website of the Company.

During the year under review, the Company has an Internal Complaint Committee as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and, there were no complaint received during the year.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

A fundamental concept embodied in the company's code of conduct is to provide working environment that motivate employees to be productive and innovative and provide opportunities for employee training and development to maximize personal potential and develop careers within the Company. The Company values the involvement of its employees and keep them informed on matters affecting them as employees and factors relevant to the company's performance and other employee related issues on a non discriminatory basis.

The Board of Directors place on record the active, dedicated and valuable contribution made by employees of the Company at all levels with regard to the affairs of the Company. The Industrial relations remained cordial within the Company.

FRAUD REPORTING

During the year Statutory Auditors has not found any instance of fraud committed against the Company by its employees or officers and accordingly, reporting to the Audit Committee or Central Government is not required.

INFORMATION TECHNOLOGY

Information Technology continues to be an integral part of your company's business strategy.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

As stipulated under SEBI (LODR) Regulations entered into with Stock Exchanges, a report on Corporate Governance and Management Discussion Analysis is attached separately as a part of the Annual Report.

LISTING OF SHARES

Presently Company's shares are listed and traded at the BSE Limited, Mumbai (BSE) and National Stock Exchange of India, Mumbai (NSE).

CONCLUSION

Your company was going through challenging and difficult period due to market and financial constraints. The Resolution Applicants have submitted the Resolution Plans for the revival of the Company, the same was subsequently approved by the NCLT, vide its order dated 31st July, 2018. The Company have carried out repairs and Maintenance activities and was able commence trial production on 2 May 2019. Further steps are being taken to start the production to its full capacity.

Acknowledgements

Your Directors place on record their sincere thanks to bankers, financial institutions business associates, consultants, customers, suppliers, contractors and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on the Company.

For & on behalf of the Board

Sd/-

Place : Kolhapur

Deepak Choudhari

Date : 26th August, 2019

Chairman

MANAGEMENT DISCUSSION AND ANALYSIS**1. INDUSTRY STRUCTURE**

The Indian textiles industry has an overwhelming presence in the economic life of the country and is one of oldest industries in the Country. The textile industry has a capacity to produce a versatile spread of products appropriate for varied market segments both domestic and export market. The textile industry plays a pivotal role through its contribution to industrial output, employment generation and export earnings of the country.

Opportunities

The Indian textile industry is set for strong growth by both strong domestic consumption as well as export demand. India's textile sector is aided by several key advantages in terms of availability of various raw materials, entrepreneurial skills, large domestic market presence of supporting industries and supporting policy initiatives of the Government.

Challenges

To get maximum advantage of the vast potential of this vibrant industry. It is very important for the Government and industry to work towards addressing key challenges including absolute machinery and technology, threats to handloom sector, power shortage and illicit market and labour related concerns.

2. HUMAN RESOURCE MANAGEMENT

The has cordial and harmonious relations with its employees. It considers manpower as its assets and that the people had been the driving force for the growth of the company.

3. PRESENT SCENARIO

During the year under revenue, the production remained suspended. Further, the factory has received electricity connection from MSEB on 20th March 2019. The trial production has been starting in the month of May, 2019 & Company is expected to start commercial production soon.

4. CAUTIONARY STATEMENT

Certain statements in 'Management Discussion and Analysis' are forward looking and may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect actual results which could be different from what the management envisage in terms of future performance and outlook.

Annexure - 1 to the Director's Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To,

The Members,

Amit Spinning Industries Limited

(CIN NO: L17100DL1991PLC171468)

E-43/1 Okhla Phase II

New Delhi

South Delhi 110020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Amit Spinning Industries Limited (CIN L17100DL1991PLC171468)(hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:
 - i. The Companies Act, 2013 and the Companies Act, 1956 ('the Act') and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the Audit period).
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - d. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014. (Not Applicable to the Company during the Audit period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not Applicable to the Company during the Audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client (Not Applicable to the Company during the Audit period)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit period)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not Applicable to the Company during the Audit period) and
 - i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.
- b. The Listing Agreements entered into by the Company Stock Exchanges

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

1. In Terms of Point No. 16 of Part A of Schedule III to the SEBI (LODR) 2015) the Company was required to intimate Stock exchanges about various events happened during corporate insolvency resolution process, the Company could not comply with the same.

2. In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives" the company has failed to comply with the requirements of trading window and its intimation to stock exchanges.
3. In terms of to Rule 33(2)(a) of the SEBI (LODR) 2015 - The quarterly financial results submitted shall be approved by the board of directors: Provided that while placing the financial results before the board of directors, the chief executive officer and chief financial officer of the listed entity shall certify that the financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading. Since there was no CFO till 10.08.2018 the Company has failed to Comply with the Rule 33(2)(a) of the SEBI (LODR) 2015.
4. In Terms of Regulation 33 (3)(a) of SEBI (LODR) 2015 Quarterly unaudited financial result for the quarter ended September 30, 2018 was required to be filed by November 15, 2018. However Company filed the unaudited financial result for the quarter ended September 30, 2018 to BSE AND NSE on 25th December 2018 with delay of 40 Days, hence the company has not complied with the requirements of Regulation 33 (3) (a) of SEBI (LODR) 2015.
5. In Terms of Regulation 31 (1) of SEBI (LODR) 2015 shareholding pattern for the quarter ended December 31, 2018 was required to be filed by January 21, 2018. However Company filed the shareholding pattern for the quarter ended December 31, 2018 to BSE AND NSE on 24th January 2019 with delay of 3 Days, hence the company has not complied with the requirements of Regulation 31 (1) of SEBI (LODR) 2015.
6. In terms of Regulation 18 (2) of SEBI (LODR)2015, the gap between two audit committee meetings i.e. 10th August 2018 and 25th December 2018 is 136 days which exceeds maximum gap allowed under regulation i.e. 120 days. Hence the company has not complied with the requirements of Regulation 18 (2) of SEBI (LODR) 2015.
7. In terms of Regulation 18 (1) (d) of SEBI (LODR) 2015 the chairperson of the audit committee shall be an independent director and he shall be present at Annual general meeting to answer shareholder queries. However Chairperson of Audit Committee didn't attend Annual General Meeting held on 27th September 2018. Hence the company has not complied with the requirements of Regulation 18 (1)(d) of SEBI (LODR) 2015.
8. In terms of Regulation 34 (2) (a) of SEBI (LODR)2015 (2) The annual report shall contain the Statement on Impact of Audit Qualifications as stipulated in regulation 33(3)(d). However Company's Annual report for the year 2017-18 do not contain Statement on Impact of Audit Qualifications as stipulated in regulation 33(3)(d) of SEBI (LODR)2015. Hence the company has not complied with the requirements of Regulation 34 (2)(a) of SEBI (LODR) 2015.
9. In terms of clause 14 of the SEBI (LODR) 2015 the company was required to pay annual listing fees to the stock exchanges however since the company is into CIRP Company has not paid the same.
10. In terms of Regulation 20 of Companies (Management and Administration) rules, 2014 the company was required to provide e-voting facility to its shareholders. However the company did not provide e-voting facility to its shareholders for the resolutions passed at the Annual General Meeting held on 27-09-2018.
11. In term of Section 203 of the Companies Act the company was required to appoint a Whole Time company secretary. However the company did not appoint whole time company secretary till 10-08-2018.
12. In term of Section 203 of the Companies Act the company was required to appoint a CFO. However the company did not appoint CFO till 10-08-2018.
13. In Board Meeting dated 15-11-2018 the company passed several resolutions relating to Reduction in face value of shares, consolidation of face value of shares, extinguishment and allotment of shares. However as informed to us, list of top 10 shareholders given to resolution applicant by the company while submitting the resolution plan was incorrect which resulted into incorrect resolution plan. Therefore it has become difficult to execute the extinguishment of shares thereby all corporate actions in the said Board Resolutions have been put on hold. We are unable to comment on this non-compliance since there is no order from Hon'ble NCLT.
14. In terms of third proviso of Section 139 (2) of the Companies Act 2013 an Auditor who has done Statutory Audit of more than immediate 2 years before the commencement of the Companies Act 2013 cannot be appointed as Auditor for more than 3 years after the commencement of the Companies Act 2013. However Company appointed M/s. Sunil Jain & Co, Chartered Accountants who was Statutory Auditor of the company for more than 2 immediately preceding years before the commencement of the Companies Act 2013 was appointed as a Statutory Auditors of the company at AGM held on 11.09.2014 for the period of 4 years. Hence Company has not complied with the third proviso of Section 139 (2) of the Companies Act 2013.
15. Company has passed Board Resolutions for appointment of Mr. Jitendrakumar Goutamchand Chopra as Managing Director and Mr. Deepak Chaganlal Chaudhari as Joint Managing Director. However Form DIR 12 was filed as Additional Director instead of Managing Director.
16. In Annual General Meeting held on 27.09.2018 appointment of Mr. Deepak Chaganlal Chaudhari as Joint Managing Director was confirmed by shareholders however Form DIR -12 for the same was filed as Whole Time Director instead of Managing Director.
17. Company has not filed Form MGT-14 for Board Resolution for approval of Financial Statements along with Reports of Auditors and Directors thereon.

18. With respect to Board Resolutions dt 29.09.2018 Company has filed Form MGT - 14 as special resolution of shareholders instead of Board Resolutions
19. On 15.11.2018 Mr. Amol Annaso Kanwade was appointed as an additional director of the company. However company has filed Form DIR -12 as Director instead of additional director.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under following specific laws applicable to the Company:

- a. Textile Committee Act, 1963
- b. Textile (Development & Regulation) Order, 2001
- c. Textile (Consumer Protection) Regulations, 1988
- d. The Sick Industrial Companies (Special Provisions) Act, 1985
- e. The Insolvency and Bankruptcy Code, 2016 and related Rules and Regulations

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except those mentioned above. Since the company was under Corporate Insolvency Resolution Process ("CIRP") powers of Board of Directors was suspended and vested with Resolution Professional till approval of Resolution Plan by NCLT on 31.07.2018.

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

Decisions at the Board Meetings and committee meetings were taken unanimously.

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

We further reports that during the audit period there were following specific events / actions occurred which are having a major bearing on the company's affairs:

- a. Hon'ble NCLT, Principal Bench, New Delhi approved the resolution plan for Company on 31.07.2018 as submitted by Mr. Deepak Chaganlal Choudhari and Mr. Jitendra Kumar Chopra being the Resolution Applicants. After that various corporate actions like face value of shares, consolidation of face value of shares, extinguishment and allotment of shares that was required to be executed has been put on hold

For, PPS & Associates

Company Secretaries

Sd/-

Shrenik Nagaonkar

Partner

Place: Kolhapur

Date: August 26,2019

FCS No.: 7067 C P No.: 11682

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

(As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance encompasses to have a set of system and practices to ensure that the affairs of the Company are being managed in a manner which ensures accountability, transparency and fairness in all transaction in widest sense. This is ensured by carefully balancing the complex inter-relationship of Board of Directors and various departments such as Internal Audit, Finance, and Compliance and by conducting business with a firm commitment to values to enhance long term shareholders values.

2. Board of Directors

The Board of Directors of the Company comprises of 6 Directors. Out of the 6 Directors 2 are executive Directors and 3 independent Directors and remaining one is non-executive Director. The composition of the Board is in conformity with requirements as stipulated under Regulation 17 of SEBI (LODR) Regulations 2015.

During the year under review, six meetings of the Board of Directors were held and the gap between two meetings did not exceed 120 days (as stipulated by law in force). The respective dates on which the Board Meetings were held are 29th May, 2018, 10th August, 2018, 29th September 2018, 15th November, 2018, 25th December, 2018 and 13th February, 2019. The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below:

Directors	Category	No. of Board Meeting Attended	No. of Directorships and Chairmanship(s)/ Membership(s) of Board/Committees of other companies			Attendance at the last AGM
			Directorship #	Member ##	Chairperson	Yes/No
Deepak Choudhari	Executive Director	3	-	-	-	Yes
Jitendrakumar Chopra	Executive Director	4	-	-	-	Yes
Sharmiladevi Chopra	Non Executive Director	3	-	-	-	No
Satish Murabatte	Independent Director	2	-	-	-	No
Amol Kanwade	Independent Director	2	-	-	-	No
Shivani Gupta*	Independent Director	6	-	-	-	Yes
S. P. Setia*	Independent Director	1	5	1	1	No
Vijaybhan Singh*	Non Independent Director	3	-	-	-	Yes
Mahaveer Bhandari	Independent Director	0	-	-	-	No

The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Private Limited Companies, Section 8 Companies.

In accordance with Regulation 26 of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 Memberships / Chairmanships of only the Audit Committees and Stakeholders Relationship Committees of all Public Listed Companies (excluding Amit Spinning Industries Limited) have been considered.

* S.P. Setia and Vijaybhan Singh resigned w.e.f 15 November 2018 and Shivani Gupta resigned w.e.f 15 March 2019. Further Mahaveer Bhandari was appointed w.e.f 31 May 2019.

Details of shares held by the Non-Executive/Independent Directors/Manager as on 31st March, 2019

Name	No. of Shares held	Name	No. of Shares held
Sharmiladevi Chopra	Nil	Satish Murabatte	Nil
Amol Kanwade	Nil		

Information supplied to the Board

- Annual operating plans, budgets and any updates.
- Capital budgets and any updates.

3. Quarterly results for the company and its operating divisions or business segments.
4. Minutes of meetings of audit committee and other committees of the Board of Directors.
5. The information on recruitment and remuneration of senior officers just below the level of board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices, which are materially important.
7. Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems.
8. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
9. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
10. Details of joint venture or collaboration agreements.
11. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
15. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

Post-meeting follow-up mechanism

The Governance processes in the Company include an effective post-meeting follow-up, review and reporting process for decisions taken / pending decisions of the Board and Committees. The draft minutes of the Board and its Committees are circulated to the members for their comments and then the minutes are entered in the minutes book within 30 days from the conclusion of the meeting. Directors' suggestion if any, towards minutes of the previous meeting(s) being placed at the succeeding meeting of the Board for noting.

Code of Conduct for Independent Directors

Pursuant to the provisions of sub section (6) of section 149 read with schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a "Code of Conduct" has been framed for Independent Directors reflecting underlying core values, commitment towards personal integrity, respect for the individual, transparency, fairness, accountability, etc being some of the key elements for achieving desired excellence. The code is available on the website amitspinningindustries.com

Familiarization Programme for Independent Directors

Pursuant to Regulation 25 of SEBI (LODR) Regulation, 2015, the Company has put in place a system to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the business and the on-going events relating to the Company. The Company has formulated a policy on familiarization programme for Independent Directors. The Policy is available on the website amitspinningindustries.com

At the time of appointing a Director, a formal letter of appointment is given to him, inter alia explaining the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013 and Listing Regulations, 2015 and affirmation taken with respect to the same.

3. Audit Committee

The Audit Committee consisted of three Non-Executive Independent Directors and one Executive Director, namely Mr. Satish Murabatte (Non-Executive/Independent Chairman) and Mr. Amol Kanwade (Non-Executive Independent Member) and Mr. Mahaveer Bhandari (Non- Executive Independent Member) and Mr. Deepak Choudhari (Executive Director). The members have the requisite accounting and related financial management expertise. Statutory Auditors and Internal Auditors are invited to the meetings of Audit Committee for presenting their periodical reports.

During the year under review, Mr. S. P. Setia and Mr. Vijaybhan Singh member of audit committee resigned w.e.f 15 November 2018 and Mrs. Shivani Gupta resigned w.e.f 15 March 2019. Mr. Mahaveer Bhandari was appointed w.e.f 31 May 2019.

The terms of reference / powers of the Audit Committee include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
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.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the listed entity with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. To review the function of the Whistle Blower Mechanism.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. To look into the payment being made to the depositors, creditors and shareholders in case of dividend declared and reasons for substantial defaults/delay if due amount has not paid as per statutory due date.

During the year, four meetings of the Audit Committee were held on 29th May 2018, 10th August 2018, 25th December 2018 and 13 th February 2019., The details of attendance of the each member at the Audit Committee are given herein below:

Name of the Director	No. of Meetings Attended
Mr. S P Setia	1
Mrs. Shivani Gupta	3
Mr. Vijay Bhan Singh	2
Mr. Deepak Choudhari	1
Mr. Satish Murabatte	2
Mr. Amol Kanwade	2
Mr. Mahaveer Bhandari	-

#The Audit Committee was re-constituted on 15 Novemebr 2018 by appointing Mr. Deepak Choudhari, Mr. Satish Murabatte and Mr. Amol Kanwade in place of Mr. S.P Setia and Vijaybhan Singh.

4. Nomination and Remuneration Committee

Nomination and Remuneration Committee of the Board has been constituted to review/recommend the remuneration package of the Managing Director/Whole Time Director(s)/Managers based on performance and defined criteria. The Nomination & Remuneration Committee of the Board comprises of Independent/Non-Executive Directors namely Amol Kanwade, Satish Murabatte Mahaveer Bhandari

Details of remuneration paid to Directors for the financial year 2018-19 are as under:

Name of Director	Category	Sitting Fee for Board Meetings (₹)	Sitting Fee for Remuneration Committee Meetings (₹)	Sitting Fee for Audit Committee Meetings (₹)	Salaries and Perquisites p.a. (₹)	Total (₹)
Mr. S P Setia	Non Executive	10,000	NIL	NIL	N.A.	10,000
Mrs. Shivani Gupta	Non-Exec.	60,000	NIL	NIL	N.A.	60,000

Name of Director	Category	Sitting Fee for Board Meetings (₹)	Sitting Fee for Remuneration Committee Meetings (₹)	Sitting Fee for Audit Committee Meetings (₹)	Salaries and Perquisites p.a. (₹)	Total (₹)
Mr. Vijay Bhan Singh	Non-Exec.	NIL	NIL	NIL	NIL	NIL
Mr. I D Desai	Manager	NIL	NIL	NIL	531738	531738
Mr. Deepak Choudhari	Joint Managing Director	NIL	NIL	NIL	NIL	NIL
Mr. Jitendrakumar Chopra	Managing Director	NIL	NIL	NIL	NIL	NIL
Mrs.Sharmiladevi Chopra	Non Exec. Director	NIL	NIL	NIL	NIL	NIL
Mr. Satish Murabatte	Non Exec. Director	NIL	NIL	NIL	NIL	NIL
Mr. Amol Kanwade	Non Exec. Director	NIL	NIL	NIL	NIL	NIL

Mr. Vijaybhan Singh, Mr. Amol Kanwade, Mr. Satish Murabatte and Mrs.Sharmiladevi Chopra had informed the Board of Directors that they would not take sitting fee till the company earns adequate profits, accordingly company is not paying sitting fee to them. Further Mr. Jitendrakumar Chopra, Managing Director and Mr. Deepak Choudhari Joint Managing Director have not taken their salaries till date.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the annual evaluation has been made by the Board of its own performance, evaluation of the working of its Board Committees and of the Directors individually. The evaluation has been conducted as per manner mentioned in the policy formulated by the Company for Selection and remuneration of Directors, KMP & Senior Management, recommended by the Nomination and Remuneration Committee and forms the part of Annual Report. The Policy is available on the website amitspinningindustries.com.

5. Stakeholders Relationship Committee:

The Company has constituted stakeholders relationship committee comprising of three independent directors.

The purpose of formation of Committee is to, inter alia, to approve issue of duplicate share certificates and oversee and review all matters connected with the transfer of securities. The Committee also reviews the performance of the Registrar and Transfer Agent besides supervising the mechanism of investor grievance redressal to ensure cordial investor relationship. The Board has authorised RCMC Share Registry Pvt Ltd RTA of the company to authorise transfer of share of the Company and hence there was no requirement to hold meetings of stakeholders relationship committee.

6. Related Party Transactions

Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy on materiality of Related Party Transactions The Policy is available on the website of the Company www.amitspinningindustries.com.

Pursuant to Regulation 23 of SEBI (LODR) Regulations, 2015 read with Section 188 of the Companies Act, 2013, all material Related Party Transactions are placed before the Audit Committee on quarterly basis and as per nature of the transactions there was no need to seek approval of the shareholders of the Company as such related party transactions are under the limit/exempted from such approval(s). The Audit Committee has granted omnibus approval for Related Party Transactions on yearly basis as per the particulars placed before the Committee.

7. Whistle Blower Policy

The Company has devised a Vigil mechanism pursuant to Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, all directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics.

This mechanism provides for adequate safeguards against victimization of director(s) / employee(s) who use such mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel have been denied access to the Audit Committee. The policy is uploaded on the website www.amitspinningindustries.com

8. Code for prevention of insider-trading practices

In compliance with the SEBI (LODR) Regulation on prevention of insider trading, the company has instituted a comprehensive code of conduct for its Directors, management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of company, and cautioning them of the consequences of violations. The code clearly specifies, among other matters, that Directors and specified employees of the company can trade in the shares of the company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and material events, as per the Code.

9. General Body Meetings

(A) Annual General Meetings:

Details of last three Annual General Meetings and the Special Resolutions passed thereat are as under:

AGM	LOCATION	DATE & TIME	Special Resolution passed
24th AGM	Bipin Chandra Pal Memorial Trust Auditorium, A-81, Chittaranjan Park, New Delhi 110 019	27th September, 2016 12:00 Noon	None
25th AGM	- Do -	25th September, 2017 11.30 A.M.	None
26th AGM	- Do -	27th September, 2018 11.30 A.M.	Appointment of Jitendra Kumar Chopra & Deepak Choudhari was made by special resolution

(B) Special Resolution passed through Postal Ballot:

No special resolution was passed through postal Ballot during the year 2018-19.

10. Code of Conduct

The Board of Directors has adopted the Code of Conduct and ethics for Directors, Senior Management and designated employees. The Code has also been posted on its holding company's website www.amitspinningindustries.com. The declaration in compliance with Clause(D) of Schedule V of the SEBI (LODR) Regulations, 2015 is given below:

To The Shareholders of Amit Spinning Industries Limited

Sub: Declaration on Compliance with Code of Conduct as required under Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Dear Sirs,

I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the code of conduct as adopted by the Board of Directors for the year ended 31st March, 2019 in terms of Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

**Sd/-
Jitendrakumar Chopra
Managing Director**

Place: Kolhapur

11. Compliance

a. Mandatory Requirements:

The Company is fully compliant with the applicable mandatory requirements of the Regulation 27 of SEBI (LODR) Regulation, 2015.

12. Disclosures

- The disclosure relating to transactions of material nature with the related parties are disclosed in the financial statements.
- Company has fulfilled all Statutory Compliances and there were no penalties, stricture imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to Capital Markets, during the last three years.
- Company has issued circular in connection with Visual Mechanism/Whistle Blower Policy and no employee was denied the access to the Audit Committee.

- Pursuant to Regulation 6(2) (d) of the Listing Regulation, 2015, the Company has created E-mail ID secretarial@clcindia.com exclusively for the purpose of registering complaints/queries by investors. Pursuant to Circular No CIR/OIAE/2/2011 dated June 3, 2011 issued by SEBI, the investors' complaints are processed in a centralized web based complaints redress system 'SCORES'.
- As per Green Initiative introduced by the Ministry of Corporate Affairs vide its circular No. 18/2011 dated 29th April, 2011, members are requested to intimate e-mail address to facilitate to send Annual Reports and other reports/ notices through e-mail.
- The Management Discussions and Analysis is communicated as a part of Annual Report.

13. Means of Communication

- Information on quarterly/ half yearly/annual financial results and press releases on significant developments in the Company, are submitted to the Stock Exchanges immediately after Board approves the same to enable stock exchanges to put the results on their websites and communicate to their members.
- The quarterly/half-yearly/annual financial results are published in The Pioneer (English& Hindi) newspaper and the same are also displayed on company's website www.amitspinningindustries.com

14. General Shareholder information

- The 27th Annual General Meeting will be held at Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, New Delhi 110019 on Thursday the 26th September, 2019 at 11.30 A.M.
- Financial Calendar (Tentative) :

Financial reporting for the Quarter ending June 30, 2019	:	on or before 14th August, 2019*
Financial reporting for the Quarter ending September 30, 2019	:	on or before 15th November, 2019
Financial reporting for the Quarter ending December 31, 2019	:	on or before 15th February, 2020
Annual Results for the Year ending March 31, 2020	:	on or before 30th May, 2020
- Date of Book closure : Saturday the 14th September, 2019 to Thursday the 26th September, 2019 (Both days inclusive)
- Dividend Payment Date : Not Applicable.
- Unclaimed/Unpaid Dividend : Not Applicable.
- Listing of Equity Shares on Stock Exchanges: BSE Limited, Mumbai (scrip code = 521076) and National Stock Exchange of India Ltd., Mumbai (scrip code = ASIL).
- ISIN No. INE988A01026.
The company's Shares were infrequently traded on BSE and NSE and suspended due to procedural reason w.e.f 15 February 2019
- The Registrars and Transfer Agents of the Company: RCMC Share Registry Pvt. Ltd., B-25/1, First Floor, Near Rana Motors, Okhla Industrial Area Phase 2, New Delhi-110020. Tel. No. 011-26387320 / 011-26387321 and Fax No.011-26387322. E-mail ID investor.services@rcmcdelhi.com.
- Contact person: Mr. Rakesh Kumar, Email: mdhair@rcmcdelhi.com Share Transfer System: The Company's shares are traded under compulsorily D-mat mode. Shares in physical mode lodged for transfer are processed and returned to the shareholders within the stipulated time.
- Distribution of shareholding as on 31.03.2019:

No. of Shares	No. of Shareholders	Percentage	No. of Shares	Percentage
1 to 5000	1710	98.70	5144039	12.49
5001 to 10000	108	0.62	816187	1.98
10001 to 20000	54	0.31	770445	1.87
20001 to 30000	18	0.10	422707	1.03
30001 to 40000	8	0.05	260561	0.63
40001 to 50000	9	0.05	407044	0.99
50001 to 100000	11	0.06	770725	1.87
100001 and above	17	0.10	32577959	79.13
TOTAL	17335	100.00	41,169,667	100.00

➤ **Category of Shareholders as on : 31.03.2019**

Category	Shares held	%age
Promoters	2,09,81,077	50.96
Financial Institutions/Insurance Companies/ Banks/Mutual Funds/Trust	100	00
NRIs/OCBs/Foreign Nationals	365301	0.89
Body Corporate(s)	887186	2.15
Public and Others	18936003	46.00
Total	4,11,69,667	100.00

- Dematerialization of shares: As on 31st March, 2019 the shares in demat mode were 3,91,05,922 representing 95.07% of the total paid up capital.
- There are no outstanding GDR/ADR/Warrant or any convertible instruments, conversion date and likely impact on equity of the Company.
- The equity shares of the Company are traded at BSE Limited and at National Stock Exchange of India Ltd., Mumbai. But due to procedural reasons suspended w.e.f 15 February 2019.
- Plant: Gat. No. 47 & 48, Village Sangawade, Taluka Karveer, Kolhapur - Hupari Road, Dist. Kolhapur 416005.

➤ Address for Correspondence :

1. Registered & Corporate Office
E-43/1 Okhla Industrial Area, Phase II, New Delhi 110020
Email: secretarial.amitspinning@gmail.com;
2. Registrars & Transfer Agents
RCMC Share Registry Private Ltd.
B-25/1, Okhla Industrial Area, Phase-2,
New Delhi- 110020. Ph. No. 011-26387320 / 011-26387321
& Fax No. 011-26387322.

Contact person
Mr. Rakesh Kumar
Email:mdnair@rcmcdelhi.com & investor.services@rcmcdelhi.com
3. Compliance Officer
Mr. Aniruddha Badkatte
E43/1 Okhla Industrial Area, Phase II, New Delhi 110020
Ph. . 7038094545
Email : secretarial.amitspinning@gmail.com ;

15. CEO/CFO Certification

To,

The Board of Directors

Amit Spinning Industries Limited

Sub: **CEO/CFO Certificate**

We, Jitendrakumar Chopra, Director and Shreyans Choudhari , to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs, and are in compliance with the existing accounting standards, applicable laws and regulations
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee;
 - (i) Significant changes in internal controls over financial reporting, during the year.
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - (iii) Instances of significant fraud of which we have become aware, if any, and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : Kolhapur
Date: 18.06.2019

Sd/-
Jitendrakumar Chopra
Managing Director

Sd/-
Shreyans Choudhari
Chief Financial Officer

Certificate on Corporate Governance

(Pursuant to Clause E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members,

Amit Spinning Industries Limited

E-43/1 Okhla Phase II ,New Delhi

South Delhi 110020

We have examined the compliance of conditions of corporate governance by Amit Spinning Industries Limited (CIN L17100DL1991PLC171468)("the Company") for the year ended on 31st March, 2019 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulations 46(2) and para C and D of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the year ended 31st March, 2019 as stipulated in the above mentioned Listing Regulations, as applicable except.

1. In terms of Regulation 18 (2) of SEBI (LODR)2015, the gap between two audit committee meetings i.e. 10th August 2018 and 25th December 2018 is 136 days which exceeds maximum gap allowed under regulation i.e. 120 days. Hence the company has not complied with the requirements of Regulation 18 (2) of SEBI (LODR) 2015.
2. In terms of Regulation 18 (1) (d) of SEBI (LODR) 2015 the chairperson of the audit committee shall be an independent director and he shall be present at Annual general meeting to answer shareholder queries. However Chairperson of Audit Committee didn't attend Annual General Meeting held on 27th September 2018. Hence the company has not complied with the requirements of Regulation 18 (1)(d) of SEBI (LODR) 2015.

We hereby state that our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Regulations. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, PPS & Associates
Company Secretaries

Shrenik Nagaonkar
Partner

Place: Kolhapur
Date: August 26,2019

FCS No.: 7067 C P No.: 11682

INDEPENDENT AUDITOR'S REPORT**To the Members of Amit Spinning Industries Limited****Report on the Audit of Ind AS Financial Statement**

We have audited the accompanying Ind AS Financial Statements of AMIT SPINNING INDUSTRIES LIMITED, ("The Company") which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Ind AS financial statements give the information required by 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 31st March 2019, its loss and its cash flows for the year ended on that date

Basis for Qualified Opinion

1. Depreciation has been computed as per the rates and in the manner prescribed under the Companies Act, 2013. However, in terms of applicable IND-AS the company need to reassess the useful life of the assets on the basis of technical evaluation or past experience of similar assets for arriving at the amount of depreciation to be charged from year to year.
2. Impairment loss, if any, needs to be accounted for by the company by forecasting its cash flow to analyze whether the cost of the asset is recoverable or not.
3. The company has substantial deposits which are interest free. As per applicable IND-AS the company needs to analyze whether the deposits need to be fair valued using appropriate discounting rate on the basis of maturity period and type of deposits.
4. The company has incurred cash losses for the year 2018-19 to the extent of 429.11 Lakhs (Previous Year Rs.3392.43 Lakhs). The company's Resolution Plan having been duly approved by NCLT vide order dated 01.08.2018, these Ind AS financial statements are prepared on going concern basis, giving effect to the Resolution Plan so approved except for reduction in share capital.

5. Due to non-availability of sanction from SEBI the effect of reduction in the share capital is still to be given in the accounts. On giving effect to this the share capital of the company will get reduced by Rs.1852.63 Lakhs. Accordingly the liabilities written back and the assets written off as a result of approved resolution plan by NCLT stands credited to Insolvency and Bankruptcy Reserve totaling to Rs.1,24,91,68,004/-

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, 2019. 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.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS Financial Statements.

Key Audit Matters	How our audit addressed the key audit matter
Insolvency Resolution Plan of the Company was approved by NCLT vide its order dated 31.07.2018 requiring consequential effects to be given in the accounts of the company having substantial impact on its financials	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> ◆ Obtained and read the final NCLT order as well the Insolvency Resolution Plan as approved by NCLT. ◆ Verification of entries passed as per the decision of the NCLT with regard to various assets and liabilities ◆ Transfer of effect to Insolvency and Bankruptcy Reserve.
Exceptional Items of Expenses in connection with recommissioning of company's production facilities	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> ◆ Obtained the details of various revenue and capital expenditure incurred in connection with the re-commissioning of the company's production facilities and its verification with related records. ◆ Verification of bifurcation of such expenses into Revenue Expenditure and Capital Expenditure. ◆ Classification of Revenue Expenditure as 'Exceptional Item of expenses' in view of its one time and non-recurring nature.

INFORMATION OTHER THAN THE IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 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 Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the 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 the mall 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 Ind AS Financial Statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
 - a) we have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Ind AS financial statements comply with the applicable Accounting Standards specified under Section

133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;

- e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note P11 to the Ind AS financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts which there were any material foreseeable losses.
 - (iii) The company is not liable for contribution to the Investor Education and Protection Fund.

SANJAY VHANBATTE AND COMPANY
Chartered Accountants
FRN NO.112996W

Place: Kolhapur
Date: June 18, 2019

CA. S. M. VHANBATTE
PROPREITOR

Annexure A of our report of even date to the members of Amit Spinning Industries Limited on the accounts of the company for the year ended 31st March, 2019

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

- (i)
 - a. The Company's records of fixed assets need improvement inasmuch as the records now maintained need to have full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the fixed assets are physically verified by the management during the year after the taking over by the new management, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets; as informed to us no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed
- (iii) The company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans, made any investments, provided any guarantees or given any security attracting the provisions of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
- (vi) The company, having not carried out any production activity during the year, has not maintained cost records, pursuant to the Rules made by the Central Government of India.
- (vii)
 - (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is not regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) The arrears of undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable: It is claimed by the company that, as per the order of NCLT approving Resolution Plan of the Company under IBC all statutory dues pertaining to the period prior to the date of NCLT order stand resolved and no dues remain payable.
 - (c) Disputed Statutory Dues: According to the records of the Company, there are following dues of Income-tax, Sales-tax, Service tax, Duty of Custom, Duty of Excise, Value added tax and Cess, Grampanchayat Tax and water charges remaining un-deposited as on March 31, 2019. The company disputes the liability in view of the order of NCLT dated 31.07.2018 approving Insolvency Resolution Plan of the Company.

Name of Department	Section	Remarks	Year	Demand Amount
TDS	26Q	Quarter 1-2007-08	2007-08	113,120
	26Q	Quarter 4-2007-08	2007-08	79,630
	26Q	Quarter 4-2009-10	2009-10	11,200
	24Q	Quarter 4-2011-12	2011-12	30,270
	24Q	Quarter 4-2012-13	2012-13	35,240
	24Q	Quarter 4-2013-14	2013-14	225,560
	26Q	Quarter 3-2014-15	2014-15	6,920
	24Q	Quarter 4-2014-15	2014-15	27,760
	26Q	Quarter 4-2014-15	2014-15	15,600
	27EQ	Quarter 4-2014-15	2014-15	9,010
	24Q	DCIT Appeal dismissed and Filed to ITAT	Quarter 1-2015-16	8,600
	26Q	DCIT Appeal dismissed and Filed to ITAT	Quarter 1-2015-16	8,600
	Q1	DCIT Appeal dismissed and Filed to ITAT	2016-17	135,150
VAT		2,00,000 paid as Security deposit	2004-05	12,44,000

Name of Department	Section	Remarks	Year	Demand Amount
VAT		16,94,614 amount adjusted against liability	2009-10	26,59,004
VAT	Section 23(2) of MVAT Act	Ex-party assessment order has been passed	F.Y. 2012-13	691,194
CST	Section 23(2) of MVAT Act	Ex-party assessment order has been passed	F.Y. 2012-13	1,305,089
Grampanchayat		Demands by grampanchayat	2014-15 TO 18-19	19,52,468
Irrigation		Dues	2014-15 To 17-18	6,85,039

Note :All above due has been waived as per resolution plan approved by NCLT.

- (viii) In our opinion and according to the information and explanations provided by the management, the company was in defaults in repayment of loans or borrowing to a financial institution and banks. These are settled under the IBC as per resolution plan approved by NCLT. He Company has no dues towards debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration during the year under audit.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable and hence not commented upon.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

SANJAY VHANBATTE AND COMPANY
Chartered Accountants
FRN NO.112996W

Place: Kolhapur
Date: June 18, 2019

CA. S. M. VHANBATTE
PROPREITOR

Annexure B**To the Independent Auditors' Report on the Ind AS Financial Statements of Amit Spinning Industries Limited
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)
REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-
SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of AMIT SPINNING INDUSTRIES LIMITED ("the Company") as of March 31, 2019 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. 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 and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and payments 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 unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2019. According to the information and explanations given to us, the company does not have documented framework of Internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

The company did not have an appropriate internal control system for obtaining confirmation from certain parties included under the head trade payables, loans & advances and other current liabilities and its reconciliation/consequential adjustments, if any. Further, the company's internal financial controls over recovery of certain long outstanding claim receivables and advance balances are not adequate.

The company's internal financial controls were not operating effectively in respect of the above which may potentially impact the results of the company.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 Ind AS financial statements of the Company, and these material weaknesses have affected our opinion on the Ind AS financial statements of the Company and we have accordingly issued a qualified opinion on the Ind AS financial statements.

SANJAY VHANBATTE AND COMPANY
Chartered Accountants
FRN NO.112996W

Place: Kolhapur

CA. S. M. VHANBATTE

Date: June 18, 2019

PROPRIETOR

Statement on Impact of Audit Qualification for the financial year ended March 31, 2019

(See regulations 33/52 of the SEBI (LODR) (Amendment) Regulations 2016)

I.

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) in Lakhs	Audited Figures (as reported after adjusting for qualifications) in Lakhs
1	Turnover of Total Income	NIL	NIL
2	Total Expenditure	(707.54)	(707.54)
3	Net Profit/(Loss)	(707.54)	(707.54)
4	Earning Per Share	(1.72)	(1.72)
5	Total Assets	3253.03	3253.03
6	Total Liabilities	3640.41	3640.41
7	Net Worth	(387.38)	(387.38)
8	Any other financial item(s) (as felt appropriate by the management)	NIL	NIL

II.

Audit Qualification (each audit qualification separately):

a) Details of Audit Qualification:

- i. In terms of applicable IND-AS the company need to reassess the useful life of the assets on the basis of technical evaluation or past experience of similar assets and accordingly the depreciation rates need to be revised.
- ii. Impairment loss, if any, needs to be accounted for by the company by forecasting its cash flow to analyze whether the cost of the asset is recoverable or not.
- iii. The company has substantial deposits which are interest free. As per applicable IND-AS the company needs to analyze whether the deposits need to be fair valued using appropriate discounting rate on the basis of maturity period and type of deposits.
- iv. The company has incurred cash losses for the year 2018-19 to the extent of 429.11 Lakhs (Previous Year Rs.3392.43 Lakhs). However, as the company's Resolution Plan having been duly approved by NCLT vide order dated 01.08.2018, these financial statements are prepared on going concern basis, giving effect to the Resolution Plan so approved except for reduction in share capital.
- v. Due to non availability of sanction from SEBI the effect of reduction in the share capital is still to be given in the accounts. On giving effect to this the share capital of the company will get reduced by Rs.1852.63 Lakhs. Accordingly the liabilities written back and the assets written off as a result of approved resolution plan by NCLT stands credited to Insolvency and Bankruptcy Reserve totaling to Rs. 1,24,91,68,004/-

b) Types of Audit Qualification: Qualified Opinion

c) Frequency of Qualification: Except for qualification at Sr No. iv above all other qualifications are being reported for the first time.

d) For Audit Qualifications where the impact is quantified by the auditor, Managements view:

As regards qualification at Sr.No.v, the company proposes to give effect to the reduction in share capital on getting sanction from SEBI.

e) For audit qualifications where the impact is not quantified by the auditor

i. Managements estimation on impact of audit qualification: N.A.

ii. If management is unable to estimate the impact reasons for the same:

The company, being still in the process of carrying out the required exercise of determination of useful life of the assets as well as impairment in the value of the assets, the exact quantification is not possible at this point of time.

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2019

(Figures in ₹)

Particulars	Note	For the year ended March 31.03.2019	For the year ended March 31.03.2018
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	B1	29,29,12,199.81	31,39,59,458.00
(b) Financial Assets			
(i) Investments	B2	21,700.00	21,700.00
(ii) Loans	-		
(iii) Others	B3	85,83,753.00	28,03,837.00
(c) Other non-current assets	B4	-	4,44,406.00
Sub total-Non current assets (A)		30,15,17,652.81	31,72,29,401.00
B. Current assets			
(a) Inventories	B5	35,11,173.76	-
(b) Financial Assets			
(i) Trade receivables		-	
(ii) Cash and cash equivalents	B6	1,04,13,346.75	24,38,021.00
(iii) Bank balances other than (ii) above	-		
(iv) Loans	-		
(v) Others	B7	46,84,649.09	-
(c) Other current assets	B8	51,76,073.43	3,22,408.00
Sub total current assets (B)		2,37,85,243.03	27,60,429.00
C. Non-current assets classified as held for sale			
Sub total current assets (C)		-	-
Total (A+B+C)		32,53,02,895.84	31,99,89,830.00
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity Share capital	B9	20,58,48,335.00	20,58,48,335.00
(b) Other Equity	B10	(24,45,86,744.02)	(1,42,32,61,703.00)
Sub total-Equity (A)		(3,87,38,409.02)	(1,21,74,13,368.00)
B. Liabilities			
(a) Non-current liabilities			
(b) Financial Liabilities			
(i) Borrowings	B11	-	32,01,28,018.00
(ii) Other financial liabilities	B12	-	13,19,36,646.00
(c) Provisions		-	-
Sub total-Non current liabilities (B)		-	45,20,64,664.00
C. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	B13	34,20,08,532.00	16,49,72,565.00
(ii) Trade Payables	B14	1,25,77,850.86	65,33,71,986.00
(iii) Other financial liabilities	-		
(b) Other current liabilities	B15	94,54,922.00	26,69,93,983.00
(c) Provisions	-		
Sub total- Current liabilities (C)		36,40,41,304.86	1,08,53,38,534.00
Total (A+B+C)		32,53,02,895.84	31,99,89,830.00

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For SANJAY VHANBHATTE & CO

Chartered Accountants

Firm Reg. No : 112996W

SANJAY MADHUKAR VHANBATTE

PROPRIETOR

Membership No. : 044808

Address : CTS.NO.245,C/1,FIRST FLOOR,

MAHALAXMI BANK,KOLHAPUR

Place : Kolhapur

Sd/-

Sharmiladevi J Chopra

Chairperson

Sd/-

Deepak C Choudhari

Joint Mangaging Director

For and On behalf of the Board

Sd/-

Jitendrakumar G Chopra

Mangaging Director

Sd/-

Shreyansh R Choudhari

CFO

Sd/-

Aniruddha S Badkatte

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-MAR-2019

(Figures in ₹)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from Operations	-	-	-
II Other Income	P1	-	19,371.00
III TOTAL REVENUE (I + II)		0	-
IV EXPENSES			
Cost of Materials Consumed	P2	12,600.00	-
Purchases of Stock-in-Trade	P3	20,28,688.98	-
Changes in Inventories	P4	(35,11,173.76)	-
Employee Benefit Expenses	P5	15,37,513.00	3,15,79,080.00
Finance Costs	P6	1,32,24,654.12	86,16,684.00
Depreciation and Amortization Expenses	P7	2,78,42,753.00	2,68,68,396.00
Other Expenses	P8	1,28,25,459.40	1,05,21,719.00
TOTAL EXPENSES		5,39,60,494.74	7,75,85,879.00
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		(5,39,60,494.74)	(7,75,66,508.00)
VI Exceptional Items	P9	(1,67,93,153.07)	28,85,44,195.00
VII Profit before Extraordinary Items and Tax		(7,07,53,647.81)	(36,61,10,703.00)
VIII Extraordinary Items		-	-
IX Profit Before Tax		(7,07,53,647.81)	(36,61,10,703.00)
X Tax Expense		-	-
Current Tax		-	-
Deferred Tax		-	-
XI Profit/(Loss) for the period from Continuing Operations(IX-X)		(7,07,53,647.81)	(36,61,10,703.00)
XII Profit/(Loss) from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	-
XV Profit(Loss) for the Period(XI+XIV)		(7,07,53,647.81)	(36,61,10,703.00)
XVI Earnings per Equity Share	P10		
- Basic		(1.72)	(8.90)
- Diluted		(1.72)	(8.90)
Significant accounting policies			
The accompanying notes are an integral part of the financial statements'			

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For SANJAY VHANBATTE & CO

Chartered Accountants

Firm Reg. No : 112996W

SANJAY MADHUKAR VHANBATTE

PROPRIETOR

Membership No. : 044808

Address : CTS.NO.245,C/
1,FIRST FLOOR,
MAHALAXMI BANK,KOLHAPUR

Place : Kolhapur

Date : 18.06.2019

For and on behalf of Board of Directors

Sd/-

Sharmiladevi J Chopra
Chairperson

Sd/-

Jitendrakumar G Chopra
Mangaging Director

Sd/-

Deepak C Choudhari
Joint Mangaging Director

Sd/-

Shreyansh R Choudhari
CFO

Sd/-

Aniruddha S Badkatte
Company Secretary

CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2019 (Figures in ₹)

	For the year ending 31.03.2019	For the year ending 31.03.2018
(A) Cash From Operating Activities		
Net Loss as per Profit and Loss account	(7,07,53,647.81)	(36,62,10,702.00)
Add:		
Extraordinary Item	1,67,93,153.07	0
Net Cash Before Tax and Extraordinary Items	(8,75,46,800.88)	-366210702.00
Adjustment for non cash and non operating items:		
Add:		
Depreciation	2,78,42,753.00	2,69,68,396.00
Loss on Sale of Fixed Asset	52,38,464.00	33,55,103.00
Financial Cost	-	86,00,000.00
Fair Value loss / (Gain) on Investment	-	1,500.00
Provision for Doubtful Advance	-	28,85,44,195.00
Provision for Wages And Salaries	-	3,08,54,538.00
Interest Expenses	-	16,684.00
Interest Income	-	(19,371.00)
Operating Profit before Working Capital Changes	(5,44,65,583.88)	(78,89,657.00)
Increase / Decrease in Current Asset and Liabilities		
Inventories	(35,11,173.76)	28,87,387.00
Trade Receivable	-	(1,83,307.00)
Other Current Assets	(48,53,665.43)	-
Trade Payables	(64,07,94,135.00)	50,15,958.00
Other Current Liabilities	(25,75,39,061.00)	-
Cash Generated from Operations	(96,11,63,619.00)	(1,69,619.00)
Less: Income Tax paid (Less refund if any)		
Cash Flow before Extraordinary Items	(96,11,63,619.00)	(1,69,619.00)
Add: Extraordinary Items	(1,67,93,153.07)	-
Net Cash from/used in Operating activities (A)	(94,43,70,465.93)	(1,69,619.00)
(B) Cash Flow From Investing Activities		
Add:		
Proceed from Sale of Fixed Asset	19,18,000.00	-
Interest Received	-	1,789.00
Less :Purchase of Fixed Assets	(1,39,51,957.81)	-
Purchase of Goodwill/Patents/Trademarks etc	-	-
Net Cash From/used in Investing Activities (B)	(1,20,33,958.00)	1,789.00
(C) Cash Flow from Financing Activities		
Add:		
Transfer to Reserves (Insolvency and Bankruptcy Reserve)	1,24,94,28,606.88	
Repayment of Short term Loans and Borrowings	17,70,35,967.00	25,85,000.00
Repayment of Long term Loans and Borrowings	(32,01,28,019.00)	-
Proceed of Short term Loans and Advances	(46,84,649.09)	
Repayment of Long term Loans and Advances	28,03,837.00	
Proceed of Long term Loans and Advances	(85,83,753.00)	
Repayment of other Non-Current Assets	4,44,406.00	
Proceed of Other Non-Current Liabilities	(13,19,36,646.00)	
Net Cash from/used in Financing Activities (C)	96,43,79,749.79	25,85,000.00
Net Increase/Decrease in Cash and Cash Equivalents(A+B+C)	79,75,325.86	24,17,170.00
Add: Cash and cash equivalents in the beginning of the year	24,38,021.00	20,851.00
Cash and Cash Equivalents at the end of the Year	1,04,13,346.86	24,38,021.00

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For **SANJAY VHANBHATTE & CO**

Chartered Accountants

Firm Reg. No : 112996W

SANJAY MADHUKAR VHANBHATTE

PROPRIETOR

Membership No. : 044808

Address : CTS.NO.245,C/1,FIRST FLOOR,

MAHALAXMI BANK,KOLHAPUR

Place : Kolhapur

Date: 18-06-2019

Sd/-

Sharmiladevi J Chopra

Chairperson

Sd/-

Deepak C Choudhari

Joint Mangaging Director

For and On behalf of the Board

Sd/-

Jitendrakumar G Chopra

Mangaging Director

Sd/-

Shreyansh R Choudhari

CFO

Sd/-

Aniruddha S Badkatte

Company Secretary

B1. Property, Plant and Equipment as at March 31, 2019

Figurs in ₹

Block of Assets / Asset Group	Rate	Gross Block			Depreciation / Amortisation			Net Block			
		01-04-2018	Additions	Sale/Adj.	31-03-2019	01-04-2018	for the year	Sale/Adj.	Residual Value Adjustment	31-03-2019	31-03-2018
NON-DEPRECIABLE ASSETS											
LAND		60,17,299.00	0	0	60,17,299.00	0	0	0	0	50,17,299.00	50,17,299.00
TANGIBLE ASSETS											
BUILDINGS											
BUILDING / SHED	3.17%	7,55,183.00	0	0	7,55,183.00	2,75,339.68	23,939.30	0	0	2,99,278.98	4,55,904.02
FACTORY BUILDING	3.17%	9,44,11,134.00	0	0	9,44,11,134.00	4,74,24,587.36	29,92,832.96	0	0	5,04,17,420.32	4,39,93,713.68
OFFICE BUILDING	1.58%	4,21,71,725.00	0	0	4,21,71,725.00	1,09,98,318.96	6,65,797.80	0	0	1,16,64,116.76	3,05,07,608.24
Total (Block)		13,73,38,042.00	0	0	13,73,38,042.00	5,96,98,246.00	36,82,570.06	0	0	6,23,80,816.06	7,49,57,225.94
FURNITURE AND FITTINGS											
FURNITURE	9.50%	43,97,633.00	0	0	43,97,633.00	41,79,501.67	2,945.59	0	0	41,82,447.26	2,15,185.74
MOTOR VEHICLES											
VEHICLE	9.50%	17,22,172.00	0	0	17,22,172.00	16,36,062.00	0	0	0	16,36,062.00	86,110.00
PLANT AND MACHINERY											
PLANT & MACHINERY	3.80%	80,97,01,045.49	1,35,61,847.75	4,77,08,593.00	77,55,54,300.24	58,04,38,101.02	2,41,42,253.60	4,05,52,128.00	0	56,40,28,225.80	21,15,26,074.00
PLANT AND MACHINERY	6.33%	1,88,95,687.00	3,90,110.00	0	1,92,85,797.00	1,81,60,509.60	14,984.06	-	0	1,81,75,493.66	11,10,303.34
Total (Block)		82,85,96,732.49	1,39,51,957.75	4,77,08,593.00	79,48,40,097.24	59,85,98,610.62	2,41,57,237.66	4,05,52,128.00	0	58,22,03,719.00	21,26,36,377.30
Total (Tangible Assets)		97,20,54,579.49	1,39,51,957.75	4,77,08,593.00	93,82,97,944.24	66,31,12,420.29	2,78,42,753.31	4,05,52,128.00	0	65,04,03,044.00	28,76,94,899.00
Grand Total		97,70,71,878.49	1,39,51,957.75	4,77,08,593.00	94,33,15,243.24	66,31,12,420.29	2,78,42,753.31	4,05,52,128.00	0	65,04,03,044.00	29,29,12,199.81
											31,39,59,458.00

(Figures in ₹)

	As at <u>31st March, 2019</u>	As at <u>31st March, 2018</u>
NOTE - B2 Investment		
Shares Datta Nagari Patsansta	5,000.00	5,000.00
Shares Saraswat Co-Op Bank	14,200.00	14,200.00
Shares Shamrao Vitthal Co-Op Bank	2,500.00	2,500.00
Grand Total	21,700.00	21,700.00

Particulars	No of Shares		No of Shares	
	31.3.19	31.3.18	31.3.19	31.3.18
Investment in fully paid equity Instrument (Unquoted)				
Shares Datta Nagari Patsansta	500.00	500.00	10.00	10.00
Shares Saraswat Co-Op Bank	1,420.00	1,420.00	10.00	10.00
Shares Shamrao Vitthal Co-Op Bank	250.00	250.00	10.00	10.00

	As at <u>31st March, 2019</u>	As at <u>31st March, 2018</u>
NOTE - B3 Long-Term Loans and Advances		
Unsecured, considered good		
Excise / Sales Tax Deposit Agst Demand	2,36,240.00	-
Interest Receivable MSEB	14,96,513.00	-
Security Deposit Paid Electricity & Wat	68,51,000.00	-
Capital Advances	-	-
Security Deposits	-	28,03,837.00
Unsecured & Considered Doubtful Capital Advance	-	6,04,06,745.00
Balance with Sale Tax Authorities	-	86,58,844.00
Other Loans And Advances	-	92,35,000.00
Less : Provision for Doubtful loans and advances	-	(7,83,00,589.00)
Inter Corporate Deposit	-	21,73,16,863.00
Less: Provision for Doubtful Debts	-	(21,73,16,863.00)
Grand Total	85,83,753.00	28,03,837.00

NOTE - B4 Other Non-Current Assets

Unsecured, considered good

Claims Receivable with Excise & Custom Authorities	-	-
Margin Money	-	4,44,406.00
Others	-	-
Total	-	4,44,406.00

Note - B5 Inventories

Stock-in-trade

Raw Material	20,28,188.98	-
Stores And Spares	14,82,984.78	-
Total	35,11,173.76	-

NOTE - B6 Cash and Cash Equivalents- In Current Account

AXIS-AS-00710200056753I	-	-234649.000
AXIS-AS-00710200056753 M	98,52,489.15	25,85,000.00
Bank of Maharashtra-558	4,87,032.30	-
HDFC-AS-00030700000179 I	-	(24,74,041.00)
HDFC-AS-00030700000179 M	61,351.30	25,35,392.00
Total	1,04,00,872.75	24,11,702.00

NOTE - B6 Cash and Cash Equivalents- Cash on hand

Cash in Hand	12,474.00	26,319.00
Total	12,474.00	26,319.00
Grand Total	1,04,13,346.75	24,38,021.00

NOTE - B7 Short-Term Loans and Advances-Secured, considered good

	as at 31-Mar-2019	as at 31-Mar-2018
A B Carter India Pvt. Ltd.	22,547.00	-
Aircomp Services	2,00,000.00	-
Basant Wire Industries(P) Ltd	36,920.00	-
Central Depository Services Limited	4,44,293.00	-
Deposite for Loan Processing-Nkgsb Bank	2,00,000.00	-
Hira Safe Company and Furniture	50,000.00	-
Lakshmi Machine Works Limited	31,53,333.09	-
Lakshmi Ring Travellers (CBE) Ltd	7,280.00	-
National Security Depository Limited	5,14,124.00	-
National Stock Exchange	29,500.00	-
Om Ganesh Welding Works	25,000.00	-
SAURER TEXTILE SOLUTIONS PRIVATE LIMITED	1,652.00	-
Grand Total	46,84,649.09	-
NOTE - B8 Other Current Assets		
Adv Income Tax - AY 2018-19	87,759.00	-
C GST	14,00,451.31	-
I GST	22,87,411.81	-
S GST	14,00,451.31	-
Unsecured & Considered good Prepaid Expenses	-	234649.000
Balance with Income Tax Authorities	-	87,759.00
Total	51,76,073.43	3,22,408.00
NOTE - B9 Equity Share Capital		
Share Capital	20,58,48,335.00	20,58,48,335.00
Grand Total	20,58,48,335.00	20,58,48,335.00
NOTE - B10 Capital Reserves		
State Subsidy	30,00,000.00	30,00,000.00
Total	30,00,000.00	30,00,000.00
NOTE - B10 Securities Premium Account		
Share Premium	4,46,01,665.00	4,46,01,665.00
Total	4,46,01,665.00	4,46,01,665.00
NOTE - B10 Other Reserves		
Insolvency and Bankruptcy Reserve	1,24,94,28,606.88	-
Total	1,24,94,28,606.88	-
Notes : The Insolvency and Bankruptcy Resreve has been created by transfer of liabilites which stand extinguished by the NCLT order approving Insolvency Resolution Plan of the company netted off by the assets which were no longer recoverable.		
NOTE - B10 Surplus		
IProfit & Loss A/c	(7,07,53,647.81)	(82,20,92,384.99)
Retained Earnings	(28,25,60,281.10)	(28,25,60,281.10)
Retained Profit -PL	(1,18,83,03,086.99)	(36,62,10,702.00)
Total	(1,54,16,17,015.90)	(1,47,08,63,368.09)
Grand Total	(24,45,86,744.02)	(1,42,32,61,703.00)
NOTE - B11 Long Term Borrowings		
Secured		
Term Loan form Bank	-	13,19,31,323.00
Less : Amount disclosed as 'other current liabilities'	-	(13,19,31,323.00)
Unsecured		
Loans and advances from related parties	-	32,01,28,018.00
Grand Total	-	32,01,28,018.00

Notes : Term Loans were secured by first pari passu charge by on fixed assets of the company, both present and future. The loans were further secured by Corporate Guarantee of its holding company, Spentex Industries Limited. As on 31.03.2019 all Loans have been settled as per resolution plan approved by NCLT.

Maturity Profile And Default Status

Bankers	Type of Loan	as at 31-Mar-2019	as at 31-Mar-2018
Axis Bank	Term Loan (10 % p.a.)	-	11,19,52,183.00
Axis Bank	FITL (10 % p.a.)	-	56,17,448.00
Axis Bank	WCTL (10 % p.a.)	-	49,01,529.00
JM Financial*	WCLT	-	94,60,163.00
Grand Total		-	13,19,31,323.00

* The loan of JM Financial (Assets Reconstruction Company) is the loan transferred from UCO bank. Default Status : Relevant for F Y 2017-18 The last installment of the above loans was due for payment during financial year 2017-18. However, all the loan accounts have become already Non Performing Assets (NPA) in the books of lenders and accordingly, the company filed reference before National Company Law Tribunal (NCLT) for Corporate Insolvency Resolution under Insolvency and Bankruptcy Code, 2016. Relevant for F Y 2018-19: All Term Loans have been settled as per Corporate Insolvency Resolution under Insolvency and Bankruptcy Code, 2016.

	As at 31st March, 2019	(Figures in) As at 31st March, 2018
NOTE - B12 Other Non-Current Liabilities		
Contractually reimbursable expenses	-	3,59,86,063.00
Interest accrued but not due on borrowings	-	9,59,50,583.00
Total	-	13,19,36,646.00

NOTE - B13 Short-Term Borrowings

Secured		
Working Capital Borrowings		
From Axis Bank	-	4,98,07,861.00
From JM Financial	-	6,42,85,976.00
Other Short Term Loans		
From Axis Bank	-	4,82,77,044.00
Interim Finance		
From Axis Bank	-	16,55,165.00
From JM Financial	-	9,46,519.00
Total	-	16,49,72,565.00

NOTE - B13 Short-Term Borrowings- Loans and advances from Directors

Deepak Chaganlal Choudhari	16,50,22,299.00	-
Jitendrakumar G Chopra	9,78,54,357.00	-
Sharmiladevi J Chopra	7,91,31,876.00	-
Total	34,20,08,532.00	-
Grand Total	34,20,08,532.00	16,49,72,565.00

Notes: The short term borrowings are unsecured, interest free and are payable on demand.

"Relevant For F Y 2017-18 1. Working Capital borrowings were secured by first charge on all current assets (both present and future) of the company and second pari passu charge on fixed assets. The loans are future secured by Corporate Guarantee of its holding company, Spentex Industries Limited. The account was classified as NPA and was admitted for Corporate Insolvency Resolution before NCLT. 2. Short Term Loan from Bank was secured by subservient charge on all current assets (both present and future) and movable fixed assets of the company. The loans were further secured by Corporate Guarantee of its holding company, Spentex Industries Limited and personal Guarantee of Shri Mukund Choudhary & Kapil Choudhary. Loans were repayable within 6 months from date of disbursement. Interest is payable monthly @ 13.40 % p.a. The account had been classified as NPA. Relevant for F Y 2018-19-These loans have been finally settled under Corporate Insolvency Resolution before NCLT. 3. Interim Finance was provided by the Financial Creditors (In their proportionate holding) to meet Corporate Insolvency Resolution Process (CIRP) cost during Insolvency Resolution Process. The rate of Interest for the said loans is 20 % p.a. (linked to 3 months MCRL) compounded monthly. Relevant for F Y 2018-19 The Interim Finance stands repaid as at the year end 31.03.2019."

	As at <u>31st March, 2019</u>	(Figures in) As at <u>31st March, 2018</u>
NOTE - B14 Trade Payables-Micro, Small and Medium Enterprise		
Creditors for Goods and Services	1,08,83,098.86	65,33,71,986.00
Creditors for Capital Goods	16,94,752.00	-
Grand Total	1,25,77,850.86	65,33,71,986.00
NOTE - B15 Other Current Liabilities-Other Payables		
Current Maturities of Long-Term Debt	-	13,19,31,323.00
EPF Payable	30,895.00	-
Expenses Payable	3,25,000.00	-
Salary Payable	3,68,871.00	-
Wages Payable RP Calculation	76,67,581.00	-
TDS 194A-INTEREST COMPANY	10,00,156.00	-
TDS 194 C - Contractor Other	1,239.00	-
TDS 194 H - Commission - Other New GI 15114	9,000.00	-
TDS 194 J Professional - Other	52,180.00	-
Credit Balance with Banks	-	-
Statutory remittances	-	42,75,412.00
Trade/ Security deposits received	-	3,67,411.00
Advances from customers	-	26,59,448.00
Wages and Salaries Payable	-	10,97,07,877.00
Others	-	1,80,52,512.00
Grand Total	94,54,922.00	26,69,93,983.00

Note No : B12 - 1 Share Capital

Particulars	As at March 31, 2019		As at April 1, 2018	
	Number	₹	Number	₹
Authorised Share Capital				
Equity Shares of ₹ 5.00 each	5,00,00,000.00	25,00,00,000.00	5,00,00,000.00	25,00,00,000.00
Total	5,00,00,000.00	25,00,00,000.00	5,00,00,000.00	25,00,00,000.00
Issued Share Capital				
Equity Shares of ₹ 5.00 each	4,11,69,667.00	20,58,48,335.00	4,11,69,667.00	20,58,48,335.00
Total	4,11,69,667.00	20,58,48,335.00	4,11,69,667.00	20,58,48,335.00
Subscribed and fully paid				
Equity Shares of ₹ 5.00 each	4,11,69,667.00	20,58,48,335.00	4,11,69,667.00	20,58,48,335.00
Total	4,11,69,667.00	20,58,48,335.00	4,11,69,667.00	20,58,48,335.00
Total	4,11,69,667.00	20,58,48,335.00	4,11,69,667.00	20,58,48,335.00

Note No : B12 - 2 Reconciliation of share capital

Particulars	As at March 31, 2019		As at April 1, 2018	
	Number	₹	Number	₹
Equity Shares (Face Value ₹ 5.00)				
Shares outstanding at the beginning of the year	41169667	205848335.00	41169667	205848335.00
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	41169667	205848335.00	41169667	205848335.00

Rights, perences and restrictions attached to Equity Shares

1. The Company has one class of equity shares having a per value of Re. 1 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets if the copmany after distributed of all preferential amounts, in proportion to their shareholding.
2. Shares of the company are ordinarily transferable provided :

- a) Instrument of transfer is in form prescribed under the act & duly stamped and executed by / on behalf of transferor and transferee.
- b) Transferee consenting or replying affirmatively within specified period of his receipt of notice under Section 56 (1) of Companies Act, 2013 issued by the Company in respect of application of transfer of registration of shares made by the transferor.
- c) Transferee is not of unsound mind.
- d) Company does not have any lien in shares under application of transfer.
3. The face value of existing shares is reduced from Rs. 5 per share to Rs. 0.50 per share with no of shares issued remaining at same level with effect from the effective date resulting in reduction of share capital 18,52,63,501/-. Effect of this is still to be given in the accounts pending sanction from SEBI.

Particulars	As at March 31, 2019		As at April 1, 2018	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Spentex Industries Limited	2,09,81,077.00	50.96 %	2,09,81,077.00	50.96 %
Smita Bharat Shah	35,47,185.00	8.62 %	34,82,009.00	8.46 %
Aparna Bharat Shah	22,15,500.00	5.38 %		

Note : Shares to the extent of Rs.1852.63 Lakhs would be extinguished as per NCLT approved Resolution Plan under IBC, effect of which is still to be given in the accounts pending sanction from NSE/BSE in this respect.

Particulars	(Figures in)	
	As at <u>31st March, 2019</u>	As at <u>31st March, 2018</u>
NOTE - P1 Other Income		
Interest Income	-	19,371.00
Total	-	19,371.00
 NOTE - P2 Cost of Materials Consumed		
Water Expenses	12,600.00	-
Total	12,600.00	-
 NOTE - P3 Purchases of Stock-in-Trade		
Cotton Purchase	19,81,188.98	-
Transport-Cotton Purchase	47,500.00	-
Total	20,28,688.98	-
 Note P4 Changes in Inventories		
Stock-in-Trade	-	-
Raw Material	(20,28,188.98)	-
Stores And Spares	(14,82,984.78)	-
Total	(35,11,173.76)	-
 NOTE - P5 Employee Benefit Expenses-Salaries and Wages		
Salary Staff Basic	13,83,436.00	-
Wages And Salaries	-	31578320.00
Staff Welfare Expenses	-	760.00
Total	13,83,436.00	3,15,79,080.00
 NOTE - P5 Employee Benefit Expenses- Staff Welfare Expenses		
Food & Beverages in Office for Staff	1,54,077.00	-
Total	1,54,077.00	-
Grand Total	15,37,513.00	3,15,79,080.00

	As at	(Figures in)
Particulars	31st March, 2019	As at 31st March, 2018
NOTE - P6 Finance Costs-Interest Expense		
Interest to Others	1,31,91,480.50	
Interest Expenses	-	16,684.00
Settlement Cost	-	86,00,000.00
Total	1,31,91,480.50	86,16,684.00
 NOTE - P6 Finance Costs- Other Borrowing Costs		
Bank Charges	33,173.62	-
Total	33,173.62	-
Grand Total	1,32,24,654.12	86,16,684.00
 NOTE - P7 Depreciation and Amortization Expenses		
Depreciation and Amortization	2,78,42,753.00	2,68,68,396.00
Total	2,78,42,753.00	2,68,68,396.00
 NOTE - P8 Other Expenses		
Audit Fees	5,90,000.00	3,58,200.00
Payment to Auditors-For Other Services :		
Document Attestation / Notary Charges	2,400.00	2,85,545.00
Legal - Other Expenses	66,321.13	-
Legal & Professional Expenses	16,83,852.65	-
Power Charges	14,153.00	3,62,228.00
Rent Others	25,600.00	4,43,000.00
Repairs to Building	4,90,915.00	-
Repair & Maintanances - Others	1,04,640.00	1,50,551.00
Insurance Expenses (Corporate)	2,61,199.00	2,26,746.00
Grampanchayat Tax	4,40,270.00	-
Advertisement Expenses	47,261.00	-
Commission Paid	1,873.00	-
Conveyance Local Employee	1,200.00	-
Communication Expenses	-	18,217.00
COURIER CHARGES	2,490.56	-
DIRECTOR SITTING FEES	60,000.00	23,000.00
Fees for Appeal-ROC- E Filing	57,900.00	-
Interest on TDS	3,676.00	-
Internet & Information Chrages	400.00	-
Insolvany Resolution Expenses	-	13,94,476.00
Late Fees	500.00	-
Loading Unloading Expenses	9,31,998.00	-
Loss on Sales of Asset	52,38,464.00	32,70,603.00
NCLT Fees	2,000.00	-
Office Expenses	14,212.00	1,56,604.00
Photocopy Expenses	41,735.00	-
POSTAGE AND TELEGRAPH	5,47,215.50	-

Printing & Stationery	73,567.52	8,348.00
Reimbursement of Expenses	42,150.00	-
Rounding Off	16.68	-
Security Service Charges	19,61,375.36	-
Stores And Spares Consumption	-	27,23,225.00
Sub Contraning Charges	-	10,85,121.00
Travel - Others	1,18,074.00	15,855.00
Total	1,28,25,459.40	1,05,21,719.00

NOTE - P9 Exceptional items

Assets Written Off	13,41,394.29	-
CGST Input- Indirect Expenses	32,445.00	-
Discount	(2,40,003.80)	-
Humdification of Plant	90,000.00	-
IGST Input- Indirect Expenses	1,86,587.92	-
Insolvency Process Expenses	16,53,710.00	-
Packing & Forwarding	25,596.88	-
Repairs Service- Machinery	7,07,786.40	-
SGST Input- Indirect Expenses	32,445.00	-
Stores and Spares-Purchase	1,29,43,631.38	-
Transportation Charges	19,560.00	-
Provision for Doubful Advances	-	28,85,44,195.00
Grand Total	1,67,93,153.07	28,85,44,195.00

NOTE - P10 Earning Per Share

	Earning Per Share	Earning Per Share
Net Profit After Tax	(7,07,53,647.81)	(36,62,10,702.00)
Weighted average number of Equity Shares outstanding	4,11,69,667.00	41,16,99,667.00
Basic Earning Per Share (Face Value of Rs. 5 each)	(1.72)	(8.90)
Add: Weighted number of potential equity shares on account of Employee Stock Options	0.00	0.00
Weighted average number of Equity Shares outstanding (inclusive dilutive ESOP shares outstanding)	0.00	0.00
Diluted Earning Per Shares (Face Value of Rs. 5 each)	(1.72)	(8.90)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES**1.1 Basis for preparation of accounts**

The accounts have been prepared in accordance with IND AS and Disclosures thereon comply with requirements of IND AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, other pronouncements of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable. Up to financial year ended on 31st March 2017, the company has prepared the accounts according to the Previous GAAP. The financial statements for the year ended 31st March 2018 are the first to have been prepared in accordance with IND AS. Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule - III to the Companies Act, 2013.

1.2 Use of Estimates

IND AS enjoins management to make estimates and assumptions related to financial statements that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year. Actual result may differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision.

1.3 Recognition of Income and Expenses

- i. The company does not any sales made during the year.
- ii. Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- iii. Other incomes have been recognized on accrual basis in financial statements except for cash flow information.

1.4 Property, Plants and Equipment

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. These are recognized and carried under cost model i.e. cost less accumulated depreciation and impairment loss, if any which is akin to recognition criteria under erstwhile GAAP.

- i. Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such Costs also include Borrowing Cost if the recognition criteria are met.
- ii. When a major inspection/repair occurs, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of previous inspection/repair is derecognized.
- iii. Depreciation has been provided on straight line method in terms of expected life span of assets as referred to in Schedule II of the Companies Act, 2013. On the basis of technical advice, the Company has treated its spinning Process Plant as a Continuous Process Plant and has provided depreciation accordingly.
- iv. Components relevant to fixed assets, where significant are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in specific context.
- v. On sales of fixed assets any profit earned/loss sustained towards excess/shortfall of sale value Vis-a- vis carrying cost of assets is accounted for in statement of profit & loss.

1.5 Impairment of Non-Financial Assets

- i. An asset is deemed impaired when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.
- ii. Recoverable value is the higher of the 'value in use' and 'fair value as reduced by cost of disposal'.
- iii. Test of impairment of PPF are undertaken under Cash Generating Unit (CGU) concept based on indication of impairment, if any, from external and internal sources of information outlined in para12 of Ind AS-36 at the end of each reporting period.

1.6 Financial Instruments**i. 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 profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Measurement

For purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial Assets at fair value
- Financial Assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss, or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at amortized cost.

- **Business Model Test:** The objective of company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

[A financial asset that meets the following two conditions is measured at fair value through OCI:-

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.]

All other financial assets are measured at fair value through profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Impairment of Financial Assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:

- 12 months expected credit losses, or
- Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowances based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. Financial Liabilities

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

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gains or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

1.7 Fair Value Measurement

The company measures financial instruments 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 principle 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 identified assets or liabilities
- Level 2 - Valuation techniques for which the lowest level of 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 the purpose of fair value disclosure, 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.

1.8 Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The cost in respect of raw materials, store and spares and packing material is determined under the Specific Identification of cost method.

The company does not have any work-in-progress or finished goods.

Waste is valued at estimated net realizable value.

1.9 Employee Benefits

i. Short term employee benefits

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

ii. Long term/Post Separation employee benefit plan

➤ Defined Contribution Plan:

The company's contributions to recognized Provident Fund and Labour Welfare Fund are charged to profit and loss account on accrual basis.

➤ Defined Benefit Plan:

Gratuity - The Gratuity plan, a defined benefit plan, provides a lump sum payment to vested employees, at the retirement or termination of employment, an amount based on the respective employees' last drawn salary and the years of employment with the Company. The liability with regard to Gratuity plan is accrued based on the actuarial valuation at the balance sheet date, carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of profit and loss as income or expense. The Company has employees' Gratuity fund managed by Life Insurance Corporation of India ("LIC").

Compensated Absences - The Company provides for the encashment of absence or absences with pay based on policy of the Company in this regard. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measured the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

1.10 Income Tax and Deferred Tax

The liability of company on account of Income Tax is computed considering the provisions of the Income Tax Act, 1961.

Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets 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 profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.11 Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise etc.) pending in appeal I court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

1.12 Foreign Currency Translation

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

- i. Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain/ Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date and that of payment is charged to Statement of Profit and Loss.
- ii. Monetary Assets in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss is accounted for in the Statement of Profit and Loss.
- iii. Non-Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- iv. Impact of exchange fluctuation is separately disclosed in the notes to accounts.

1.13 Earnings Per Share

Basic Earnings per share is 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 attributed to equity shareholders
- and the weighted average number of shares outstanding during the period
- is adjusted for the effects of all dilutive potential equity shares.

1.14 Borrowing Costs

Borrowing cost that are directly attributable to the acquisition, construction, or production of a *qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are recognized as expense in the period in which they are incurred.

* A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

1.16 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short- term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(B) NOTES FORMING PART OF THE ACCOUNTS

1. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of the business, the provision for all known liabilities is adequate and no in excess of the amount considered reasonably necessary.
2. Contingent Liabilities not provided for :
Contingent Liabilities not provided for in respect of -

a. Guarantee provided by/on behalf of the company:

Particulars	As at 31.3.19	As at 31.3.18
Corporate gurantee given to State Bank of India, Tokyo Branch (SBI) for loan extened to Spentex (Netherlands), B.V. USD 10.825 million (previous year USD 10.825 millions)	-	705,627,625.00

b. Claims against company not acknowledged as debts:

Sl. No.	Particulars	As at 31.3.19	As at 31.3.18
1.	Electricity duty by Maharashtra State Government on units generated through captive power plant between the period Apr-2000 to Apr-2005 (petition pending before the Supreme Court)	14,355,000.00	14,355,000.00
2.	Demands from MSEDCL under appeal (including interest of Rs. 3,82,53,185 previous year Rs. 3,82,53,185)	93,315,290.00	93,315,290.00

Sl. No.	Particulars	As at 31.3.19	As at 31.3.18
3	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2004-05 not provided for.	1,244,000.00	1,244,000.00
4.	Demands From Maharashtra Sales Tax Authorities under appeal for FY 2009-10 not provided for.	2,655,004.00	2,655,004.00
5.	Disputed Demands of Grampanchayat Tax 2014-15 to 2017-18	1,952,468.00	-
6.	Disputed Demand of Irrigation Department 2014-15 to 2017-18	685,039.00	-
7.	Disputed TDS demands for late filing of returns	7,06,660.00	7,06,660.00
	TOTAL	11,49,13,461.00	81,79,03,579.00

- C. There is gross default of Rs.706660 on account of TDS defaults being shown on the income tax website. The company, however, believes that these demands are rectifiable and upon filing the necessary correction statements, the demand would be significantly reduced and as such no provision is required for the same at this stage.

Further company has undergone the process of IBC, consequently the above demand/default shall not be liable to pay as per resolution plan approved by NCLT.

3. Disclosure required by Ind AS 19 - Employee Benefits				
Particulars	Current Year		Previous Year	
	Gratuity (Funded)	Compensated Absences (Unfunded)	Gratuity (Funded)	Compensated Absences (Unfunded)
Components of Employer Expense				
Current service cost				
Expected return on Plan assets				
Total expense recognised in the Statement of Profit & Loss Account				
Change in Defined Benefit Obligation (DBO) during the year				
Obligation at period beginning				
Current service cost				
Interest Cost				
Actuarial (gain)/ Loss				
Obligation at the Year end				
Change in Plan Assets				
Plan assets at period beginning, at fair value				
Expected return on Plan assets				
Actuarial (gain)/ Loss				
Contributions				
Benefits paid				
Plan assets at the year end, at fair value				
Reconciliation of Present Value of the Obligation and Fair value of plan assets				
Fair value of plan assets at the end of the year				
Present value of the defined benefit				
Obligation at the end of the year				
Liability/ (Asset) Recognized in the Balance Sheet				
Comprising of :				
Current Liabilities				

3. Disclosure required by Ind AS 19 - Employee Benefits				
Particulars	Current Year		Previous Year	
	Gratuity (Funded)	Compensated Absences (Unfunded)	Gratuity (Funded)	Compensated Absences (Unfunded)
Assumptions used to determine the benefit obligation				
Discount Rate				
Estimate rate of return on Plan Assets				
Expected rate of Increase in salary				
Withdrawal rate (18 to 58 Years)				
Due to ongoing Corporate Insolvency Resolution Process under section 10 of the Insolvency and Bankruptcy Code, 2016 in the company, during the year the actuarial valuation is not carried out since all the employees (apart from 3) have been laid off. For the year FY 2018-19, wages and salaries of Rs. 15.37 Lakhs are charged to profit and loss statement and outstanding dues Rs. 616.01 Lakhs has been paid as per Resolution Plan approved by NCLT for the full and final settlement.				

4. Disclosure in accordance with section 22 of Micro, Small and Medium Enterprise Development Act, 2006 :				
Sl. No.	Particulars	Previous Year		
		Gratuity (Funded)	Compensated Absences (Unfunded)	
1	Principal amount remaining and paid and interest due thereon	6,51,856.00	3,26,317.00	
2	Interest paid in terms of section 16	Nil	Nil	
3	Interest due and payable for the period of delay in payment	Nil	Nil	
4	Interest accrued and remaining unpaid	Nil	Nil	
5	Interest due and payable even in succeeding years	Nil	Nil	
* As certified by the management based on the available information				

5. There is no liability in respect of retirement benefits as on 31.03.2019.

6. Auditor's Remuneration

Sl. No.	Particulars	31.03.2019	31.03.2018
1	Statutory Audit Fees	3,00,000	3,58,200
2	Tax Audit Fees	-	-
3	Income Tax Matters	-	-
4	Internal Audit Fees	-	-
	Total (Excluding Tax)	3,00,000	3,58,200

(Excluding GST Payable there on)

7. DEFERRED TAX

In view of the uncertainty attached with the future profitability of the Company and lack of any convincing evidence that sufficient future taxable income would be available, company has decided not to recognize any Deferred Tax Asset in respect of the timing differences outstanding at the beginning of the year as well as those arisen during the year.

Break-up deferred tax assets and deferred tax liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax liability recognised due to timing difference due to : Depreciation and other differences in block of fixed assets	8,57,95,034.83	6,92,11,998.00
Total Deferred Tax liabilities :		6,92,11,998.00
Deferred tax assets recognised due to timing difference due to : Tax impact of provision for doubtful debts and other provisions	-	10,39,45,487.00
Tax impact of disallowances under section 43B of the Income Tax Act, 1961	-	1,38,35,851.00
Realisation of tax impact of unabsorbed depreciation	20,23,62,889	15,66,61,488.00
Realisation of tax impact of carried forward business losses	20,23,62,889	15,75,36,787.00
Total Deferred Tax Assets :		45,13,37,242.00
Net Deferred Tax Assets / (Deferred Tax Liability)	11,65,67,854	38,21,25,244.00

AMIT SPINNING INDUSTRIES LIMITED

CIN: L17100DL1991PLC171468

Registered & Corporate Office: E-43/1, Okhla Industrial Area, Phase - II, New Delhi - 110020

Notice

NOTICE is hereby given that the **27th Annual General Meeting** of the Members of **Amit Spinning Industries Limited** will be held on **Thursday, the 26th day of September, 2019 at 11.30 A.M at Bipin Chandra Pal Memorial Bhavan, A-81, and Chittaranjan Park, New Delhi 110019** to transact the following business:

ORDINARY BUSINESSES:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 including Balance Sheet of the Company as at 31st March, 2019, Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited financial statements of the Company for the year ended 31st March, 2019 including the audited Balance Sheet as at 31st March, 2019, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."

2. To appoint a Director in place of Mrs. Sharmiladevi J Chopra (DIN: 08196831) who retires from office by rotation and being eligible, offers herself for reappointment, and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the Articles of Association of the Company read with Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mrs. Sharmiladevi J Chopra (DIN: 08196831) who retires by rotation and being eligible, for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation."

SPECIAL BUSINESSES:

3. Appointment of Mr. Satish Murabatte as an Independent Director of the Company

To consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Satish Murabatte (DIN 07539362) who was appointed by the Board of Directors as an Additional Director of the Company with effect from November 15, 2018 and who holds office up to the date of this Annual General Meeting of the Company, being eligible, offers himself and in respect of whom the company has received a notice in writing from a member under section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Non Executive Independent Director of the Company.

"RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under read with Schedule IV to the Act, and regulation 17 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations) as amended from time to time, Mr. Satish Murabatte who meets the criteria of Independence as provided in section 149(6) of the Act and SEBI Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment as an independent Director of the Company not liable to retire by rotation, for a term of five years commencing November 15, 2018 to November 14, 2023, be and is hereby approved."

4. Appointment of Mr. Amol Kanwade as an Independent Director of the Company

To Consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Amol Kanwade (DIN 08259210) who was appointed by the Board of Directors as Additional Director of the Company with effect from November 15, 2018 and who holds office up to the date of this Annual General Meeting of the Company, being eligible, offers himself and in respect of whom the company has received a notice in writing from a member under section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Non Executive Independent Director of the Company.

"RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under read with Schedule IV to the Act, and regulation 17 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations) as amended from time to time, Mr. Amol Kanwade who meets the criteria of Independence as provided in section 149(6) of the Act and SEBI Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment as an independent Director of the Company not liable to retire by rotation, for a term of five years commencing November 15, 2018 to November 14, 2023, be and is hereby approved."

5. Appointment of Mr. Mahaveer Bhandari as an Independent Director of the Company

To consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Mahaveer Bhandari (DIN 08469596) who was appointed by the Board of Directors as Additional Director of the Company with effect from May 31, 2019 and who holds office up to the date of this Annual General Meeting of the Company being eligible, offers himself and in respect of whom the company has received a notice in writing from a member under section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Non Executive Independent Director of the Company.

"RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under read with Schedule IV to the Act, and regulation 17 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations) as amended from time to time, Mr. Mahaveer Bhandari who meets the criteria of Independence as provided in section 149(6) of the Act and SEBI Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment as an independent Director of the Company not liable to retire by rotation, for a term of five years commencing May 31, 2019 to May 30, 2024, be and is hereby approved."

6. Change in Name of the Company

To Consider and, if thought fit, to pass the following resolution as **Special Resolution:**

"RESOLVED THAT PURSUANT to provisions of Section 4, 5, 13 and 14 and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 and the applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for time being in force), and any other applicable laws, rules, regulations, guidelines, the Memorandum and Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations

2015 and subject to the approval of any other authority as may be necessary, the consent of members be and is hereby accorded for change of name of the Company from "Amit Spinning Industries Limited" to "Girnar Spintex Industries Limited".

"RESOLVED FURTHER THAT upon issuance of fresh certificate of incorporation by Registrar of Companies consequent of Change of name, the old name "Amit Spinning Industries Limited" as appearing in the name clause of the Memorandum of Association of the Company and wherever appearing in the Articles of Association of the Company and other documents and places be substituted with the new name "Girnar Spintex Industries Limited".

"RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and hereby authorised to sign, execute and file necessary applications, forms, deeds and documents and writings as may be necessary for and behalf of the Company and to settle and finalize all issues that may arise in this regard and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to this resolution and to delegate all or any of the powers conferred herein as they deem fit".

7. Shifting of Registered Office of the Company

To Consider and if thought fit to pass with or without modifications the following resolution as **Special Resolution:**

"RESOLVED THAT subject to provisions of sections 12 and section 13 of the Companies Act, 2013 ("the Act") read Rule 30 of Companies (Incorporation) Rules, 2014 and any other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for time being in force) and subject to the confirmation of Regional Director, Northern Region, the consent of the Members be and is hereby accorded for shifting of registered office of the Company from E-43/1, Okhla Industrial Area Phase II Okhla New Delhi 110020 to Gat No. 47 and 48, Sangawade, Kolhapur Hupari Road, Kolhapur 416202.

"RESOLVED FURTHER THAT consequent to this change, Clause II of the Memorandum of Association of the Company be substituted by the following:

Clause II: The Registered Office of the Company will be situated in the state of Maharashtra

"RESOLVED FURTHER THAT any one of the directors or Company Secretary be and are hereby authorised to appear and represent the Company in the matter of petition to be filed before the Office of Regional Director, Northern Region for seeking confirmation for the proposed alteration of the situation clause of the Memorandum of Association and also authorised to appoint any consultant, Practicing Company Secretary, Advocate /Attorney and other professionals as may be required from time to time and to fix their remuneration and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the aforesaid resolution including, filing necessary forms, returns with the Ministry of Corporate Affairs, finalizing and executing necessary documents etc.

RESOLVED FURTHER THAT M/s Loveneet Handa & Associates, Practicing Company Secretaries, Advisors & Advocates, Delhi, be and is hereby authorized to appear before the Hon'ble Regional Director, Northern Region New Delhi/Registrar of Companies, NCT of Delhi, or any other Authorities/offices as may be required from time to time, as an authorized representative to do all such compliances on behalf of the applicants that may be put up by the Hon'ble Regional Director/Registrar of Companies, NCT of Delhi while framing the order and to do all acts incidental thereto.

**By Order of the Board
For Amit Spining Industries Limited**

**Sd/-
Aniruddha Badkatte
Company Secretary**

Place: Kolhapur

Date : August 26, 2019

NOTES

1. Explanatory Statement setting out all material facts regarding Business contained in Item Nos. 2 to 7 as required under Section 102 (1) of the Companies Act, 2013, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. Instrument appointing proxy in order to be effective should be deposited at the registered office of the company, duly completed, signed and stamped, not less than 48 hours before the commencement of the meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 14th September, 2019 to Thursday, the 26th September, 2019 (both days inclusive) for the purpose of this Annual General Meeting.
5. Brief details of Directors proposed to be appointed as Director as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings, are furnished in along with this Notice.
6. Relevant documents referred in the accompanying notice and statement are available for inspection at the Registered Office of the Company on working days between 10:00 A.M. to 1:00 P.M. up to the date of this Annual General Meeting and also at the meeting.
7. Members/Proxies should bring the attendance slips duly filled in and signed for attending the meeting.
8. Members desiring any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of the Meeting so as to enable the Company to keep the information ready.
9. Members are requested to intimate the change, if any, in their registered address immediately.
10. The shareholders holding the shares in physical form are requested to update his/her PAN and bank account details with the Company.
11. The Notice of the AGM along with Annual Report for the financial year 2018-19 are being sent by electronic mode to all the members whose

email address are registered with the Company / Depository Participant(s). For members who have not registered their email address, physical copies of the above documents are being sent by the permitted mode of dispatch. Members desiring to receive the reports in physical form, even after registering for e-mail mode, may request for the same, upon which reports will be dispatched.

12. Members who have not registered their email address, are requested to register their email address for receiving all communication from the Company electronically in order to support "Green Initiative".
13. As per the provisions of the Companies Act, 2013, facility for making nomination is available to the Members in respect of the shares held by them.
14. For any communication in this regard, members may send their requests at secretarial.amitspinning@gmail.com

15. VOTING THROUGH ELECTRONIC MEANS

In accordance with provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the business may be transacted through electronic voting system and the Company intends to provide facility for voting by electronic means ("e-voting") to its members. The Company has engaged the services of RCMC Share Registry Private Ltd to provide e-voting facilities and for security and enabling the members to cast their vote in a secured manner.

- a) The Board of the Directors has appointed Mr. Loveneet Handa, Proprietor of M/s Loveneet Handa & Associates, Company Secretaries in whole time practice, New Delhi having membership No. FCS 9055 and (CP No. - 10753) as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- b) The Instructions for remote e-voting are attached to this Notice and Members are requested to carefully read the instructions for e-voting before casting their vote
- c) The e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting:

Commencement of e-voting: 21st September 2019

From: 9:00 A.M

End of e-voting: Up to 05:00 p.m. (IST) on 25th September 2019

At the end of the e-voting period, the facility shall forthwith be blocked

- d) The cut-off date for the purpose of e-voting is 20th September, 2019. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting;
- e) The procedure and instructions for e-voting are as under

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

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

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

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on

www.evoting.nsd.com.

- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
- 7. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- 8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 9. Now, you will have to click on "Login" button.
- 10. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 - ii. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 - iii. Select "EVEN" of company for which you wish to cast your vote.
 - iv. Now you are ready for e-Voting as the Voting page opens.
 - v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 - vi. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 - viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- f) A facility of voting through ballot/polling paper shall also be made available at the AGM and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - g) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again
 - h) The result declared along with the Scrutinizer's Report shall be communicated to the stock exchanges, where the shares of the Company are listed.

Explanatory Statement

As required under section 102 of the Companies Act, 2013 ("Act"), the following explanatory statements out all material facts relating to business mentioned under item Nos. 3 to 7 of the accompanying Notice:

Item Nos. 3, 4 and 5:

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Satish Murabatte (DIN: 07539362) and Amol Kanwade (DIN: 08259210) as Additional Non Executive Independent Directors of the Company, not liable to retire by rotation, for a term of 5 years i.e. from 15 November 2018 to 14 November 2023, subject to approval of the Members.

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr. Mahaveer Bhandari (DIN: 08469596) as Additional Non Executive Independent Director of the Company, not liable to retire by rotation, for a term of 5 years i.e. from 31 May 2019 to 30 May 2024, subject to approval of the Members.

The Company has received declarations from Satish Murabatte, Amol Kanwade and Mahaveer Bhandari to the effect that they meet criteria of Independence as provided in section 149(6) of the Act and SEBI Listing Regulations. In terms of SEBI listing regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably anticipated that could impair or impact their ability to discharge their duties.

A brief profile of Independent Directors is given below:

Satish Murabatte has done Diploma in Textile Manufacturing. He has over 27 years of experience in textile manufacturing, Weaving, costing etc. His was in employment with various textile industries for period of 22 years. Currently he is working as an independent advisor to various textile industries.

Amol Kanwade has done BSC a.v.s.i (Sugar Tech.). He is proprietor of Shreya Tex Mills. He has experience of 11 years in Textile manufacturing, Weaving Sector, Manufacturing of Grey and Finish Fabric, Shirting etc.

Mahaveer Bhandari graduate in commerce. He is into business of trading and marketing of various goods for more than 16 years.

In compliance of with the provisions of section 149, read with schedule IV of the act and Regulation 17 of the SEBI Listing Regulations and other applicable Regulations, the appointments of Satish Murabatte, Amol Kanwade and Mahaveer Bhandari as Independent Non Executive Directors are now being placed before members for their approval.

Details of Directors seeking appointment/re-appointment at the Annual General Meeting

Name of the Director	Sharmiladevi Chopra	Satish Murabatte	Amol Kanwade	Mahaveer Bhandari
Date of Birth	10/05/1980	11/02/1969	6/11/1982	11/09/1981
Date of Appointment	10/08/2018	15/11/2018	15/11/2018	31/05/2019
Qualifications	B.Com	Diploma in Textile Manufacturing	B.S.C a.v.i Sugar Tech	B.Com
Expertise	She has over 7 years of experience in yarn trading and processing business.	He has more than 22 years working experience in Various Textile Industries. He works as an independent advisor to textile Industries etc.	He has more than 10 years of experience in manufacturing Business.	He is into business of marketing and trading of various goods for more than 16 years
Directorships held in other Public Companies (excluding foreign companies and section 8 companies)	NIL	NIL	NIL	NIL
Memberships/ Chairmanships of committees of Other Public Companies	NIL	NIL	NIL	NIL
Number of Shares held in the Company	NIL	NIL	NIL	NIL

Item No. 6

The National Company Law Tribunal Vide its Order dated 31 July 2018 approved the Resolution Plan submitted by Deepak Choudhari and Jitendrakumar Chopra. Post approval of resolution plan new management took charge of the Company. The new management proposed to change the name of the Company from Amit Spinning Industries Limited to Ginnar Spintex Industries Limited.

The registrar of Companies has approved the availability of desired name Ginnar Spintex Industries Limited vide its approval letter dated 16 August 2019. The Board of Directors accordingly commends the special resolution as set out in Item no. 6 of this notice for your approval.

Item No. 7

The National Company Law Tribunal Vide its Order dated 31 July 2018 approved the Resolution Plan submitted by Deepak Choudhari and Jitendra kumar Chopra. Post approval of resolution plan new management took charge of the Company. For Administrative and Operational Convenience, it is proposed to shift the registered office of the Company from E 43/1, Okhla Industrial Area Phase II New Delhi 1100020 to Gat No. 47 and 48, Sangawade Kolhapur Hupari Road Kolhapur 416202. The Board has approved the aforesaid proposal in its meeting held on 26 August 2019.

Further as per provisions of section 12 and 13 of the Companies Act 2013 ("Act") a special resolution is required to be passed if the registered office of the Company is shifted from one state to another state and consequent amendment in Memorandum and Association of the Company.

Consequent to the proposed change, Clause II of Memorandum of Association of the Company is proposed to be substituted as given below:

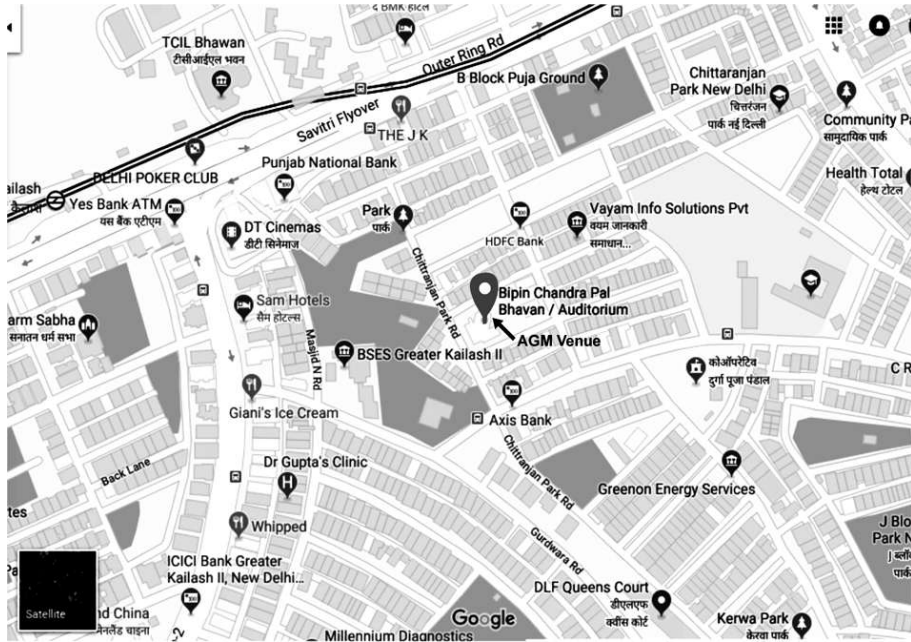
Clause II: The Registered office of Company will be situated in state of Maharashtra.

Further Confirmation of the Regional Director, Northern Region, New Delhi is required if the registered office of the Company is changed from Jurisdiction of Registrar of NCT of Delhi to that Registrar of Pune.

As required under the provisions of the Act, approval of Members is sought for shifting of registered office of the Company from New Delhi to Maharashtra and for alteration in Memorandum of Association of the Company.

The Board therefore recommends the Special Resolution set forth in item no. 7 of the Notice for Approval of Members.

ROUTE MAP OF AGM VENUE



AMIT SPINNING INDUSTRIES LIMITED
Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, New Delhi 110019

AMIT SPINNING INDUSTRIES LIMITED

CIN: L17100DL1991PLC171468

Registered & Corporate Office: E-43/1, Okhla Industrial Area, Phase - II, New Delhi - 110020

ATTENDENCE SLIP

DP ID

Regd. Folio No.

Client ID

No. of Share held

I certify that I am registered Member /Proxy for the registered member of the Company. I hereby record my presence at the 27th Annual General Meeting of the Company on Thursday, 26th day of September, 2019 at 11.30 A.M at Bipin Chandra Pal Memorial Bhavan, A-81 Chittaranjan Park, New Delhi 110019

.....
Name of Member/Proxy (In BLOCK LETTERS)

.....
Signature of Member /Proxy

Proxy Form

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

CIN : L17100DL1991PLC171468
Name of the Company : Amit Spinning Industries Limited
Registered Office : E 43/1, Okhla Industrial Area, Phase II New Delhi 110020

Name of the Member(s)	:	
Registered Address	:	
E-Mail Id	:	
Folio No/DP ID Client ID	:	

I/We being the member(s) of shares of the above named Company, hereby appoint:

1.Name : Address :

E-Mail Id : Signature :

2.Name : Address :

E-Mail Id : Signature :

As my/our proxy to attend and vote (on poll) for me/us on our behalf at the 27th Annual General Meeting of the Company on Thursday, 26th day of September, 2019 at 11.30 A.M at Bipin Chandra Pal Memorial Bhavan, A-81 Chittaranjan Park, New Delhi 110019 in respect of such resolutions as indicated below:

Res No.	Resolutions	Optional	
		For*	Against*
Ordinary Business			
1.	Adoption o Financial Statements, Reports of Directors and Auditors of the Company for the financial year ended 31 March 2019		
2.	Re-appointment of Mrs. Sharmiladevi Chopra, Director retiring by rotation		
Special Business			
3.	Appointment of Mr. Satish Murabatte as Independent Director		
4.	Appointment of Mr. Amol Kanwade as Independent Director		
5.	Appointment of Mr. Mahaveer Bhandari as Independent Director		
6.	Change in Name of the Company from Amit Spinning Industries Limited to Girnar Spintex Industries Limited and consequent change in Memorandum and Articles of Association of the Company		
7.	Shifting of Registered Office of the Company from E-43/1, Okhla Phase II New Delhi 110020 to Gat No. 47 & 48, Sangawade Kolhapur Hupari Road Kolhapur 416202		

Signed this day of 2019.

Signature of Shareholder

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 commencement of the meeting.