



SHANKAR LAL RAMPAL DYE CHEM LIMITED

ANNUAL REPORT 2020-21

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Corporate Profile

Board of Directors and Key Managerial Personnel

Mr. Rampal Inani- Managing Director

Mr. Jagdish Chandra Inani- Whole Time Director

Mr. Dinesh Chandra Inani- Whole time Director

Mr. Vinod Kumar Inani- Whole Time Director

Mr. Susheel Kumar Inani- Whole Time Director Cum CFO

Mr. Anil Kumar Kabra- Independent Director and Chairman (Audit Committee)

Mrs. Apoorva Maheshwari- Independent Women Director

Mr. Harsh Kabra- Independent Director

Mr. Murli Atal - Independent Director and Chairman (N&R Committee)

Mr. Aditya Soni- Independent Director

Ms. Aditi Babel- Company Secretary and Compliance Officer

Auditors

| Statutory Auditor | Secretarial Auditor | Internal Auditor |
|---|--|--|
| Alok Palod & Company Chartered Accountants | CS Sanjana Jain Practising Company Secretary | Laxman Kumar & Associates Chartered Accountants |
| Shop No.3, Hare Krishna Tower, Rajendra Marg, Bhilwara-311001, Raj. | A-409, V. S. Pathik Nagar, Bhilwara- 311001, Raj. | 30-A-6, Community Hall Road, Near Bapu Nagar, Bhilwara-311001, Raj. |

Bankers

Axis Bank Limited

ICICI Bank Limited

Share Transfer Agent

Cameo Corporate Services Limited

"Subramanian Building", 1, Club House Road,

Chennai- 600002, India

Email at- investor@cameoindia.com



Our Company at a glance

| | |
|------------------------------------|--|
| CIN | L24114RJ2005PLC021340 |
| Company Name | SHANKAR LAL RAMPAL DYE-CHEM LIMITED |
| ROC Code | RoC-Jaipur |
| Registration Number | 021340 |
| Company Category | Company limited by Shares |
| Company SubCategory | Non-govt company |
| Class of Company | Public |
| Authorised Capital(Rs) | 110000000 |
| Paid up Capital(Rs) | 106611300 |
| Date of Incorporation | 19/09/2005 |
| Registered Address | S.G. 2730 Suwana Bhilwara RJ 311011 IN |
| Email Id | info@sr dyechem.com |
| Whether Listed or not | Listed |
| Suspended at stock exchange | - |
| Date of last AGM | 31/08/2020 |
| Date of Balance Sheet | 31/03/2020 |
| GSTIN(Registered Office) | 08AAKCS4423Q1ZQ |

Managing Director's Message

Dear Stakeholders,

The second wave of coronavirus is proving to be more challenging. Utmost care is required to deal with pandemic of this scale. At Shankar Lal Rampal Dye-chem Limited, our priority is always with the safety and health; we have adopted all necessary precautions and suggestive practices to safeguard health & interest of communities we work in and client we serve to.

Dyes and Chemical Industries has seen a shift in customer preferences. Due to increase in use of hygienic, health and safety measures by customers; the demand for safety and precautionary measures have been increased.

Environmental and social investment in sustainability of good health and hygiene has seen a hike.

Last FY 2019-2020; the entire human life was threaten by Corona Virus; the safety measures like Lockdown, Curfew Imposition and sealing of areas with covid patients had caused severability for business to operate. But our company despite of uncertainties caused by COVID-19 outbreak has performed well; not just in financial terms, but also in terms of what we accomplished for customers, employees, shareholders and communities across the world.

The starting of FY 2020-21 the entire economy was shutdown due to Pan-India Lockdown measure adopted by Indian Government; started as a year of no operations; the company still was working on digital mode to supply various materials necessary for various hygiene activities and as the operations were closed; working was

slow down. The pandemic has tragically cost many lives, hampering lifestyles and leaving many temporary and permanent changes in way of working.

Hygiene is the Vital term in case of Health and Safety. Use of sanitizers, disinfectant, cleansing agents, masks, etc. has been the most trending outset of business. Your company is already dealing in Disinfectant and chemicals used for Hygiene; hence the company was able to fetch good and foreseen returns from investment in various business related opportunities, the company was able to announce Bonus Issue of equity shares and despite of tremendous problem in logistic, increasing material cost & facing economic slowdown due to several curfew, lockdown, etc.; the company is still able to maintain its sales & customers. In my opinion we were able to serve satisfactorily the market needs. This growing market valuation of our products is due to Shankar Lal Rampal Dye-chem Limited ("Srdyechem/SRDL")'s differentiated strategy, improving capital allocation and most importantly your firm belief in sustainability and growth of your company.

This year was very vital for the company as the company at the end of year received approval from BSE for listing of its securities on Main Board of BSE. It is a matter of pride for entire company. The company has also promoted E-payment or online payment facility among its customers.

The vision of better quality products, loyal customers, safety measures in handling operations and good trade



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practices have been driving force for your company to sustain and earn favorable outcome.

The opportunities ahead are huge. By staying true to its vision, mission and its values, and by continually investing in building newer capabilities, your Company

is positioned well to become the foremost partner of choice to all forward thinking enterprises in their growth and transformation journeys.

On behalf of Board of Directors, I want to thank you all for continued trust and confidence.

**~Rampal Inani
Managing Director**

Financial Highlights

| Description | 2021 | |
|------------------------------------|--------------------|------------|
| | Amount | Percentage |
| | in Rupees | - |
| Income Statement | ₹ | |
| Revenue | 1,776,925,852 | 100.00% |
| Cost of Goods Sold | 1,669,249,124 | 93.94% |
| Interest Expense | 13,333,658 | 0.75% |
| Tax Expense | 31,350,160 | 1.76% |
| Income from Cont Operations | 107,676,728 | 6.06% |
| Net Income | 62,992,910 | 3.55% |
| Balance Sheet | | |
| Cash | 108,481,236 | 16.61% |
| Short Term Investments | 0 | 0.00% |
| Accounts Receivable | 315,336,901 | 48.30% |
| Inventory | 65,781,221 | 10.07% |
| Current Assets | 646,988,377 | 99.09% |
| Long Term Investments | 0 | 0.00% |
| Net Fixed Assets | 5,898,852 | 0.90% |
| Other Assets | 50,000 | 0.01% |
| Total Assets | 652,937,229 | 100.00% |
| Current Liabilities | 154,775,849 | 23.70% |
| Total Liabilities | 154,780,722 | 23.71% |
| Total Stockholders' Equity | 498,156,507 | 76.29% |
| Cash Flow | | |
| Cash Flow from Operations | 100,969,552 | |
| Dividends Paid | 799,585 | |
| Interest Paid | 13,333,658 | |
| Share Information | | |
| Market Price at Year End | 67.80 | |
| Earnings Per Share - Basic | 7.16 | |
| Shares Outstanding | 10,661,130 | |

Key Performance Indicator

Ratio

| RATIO ANALYSIS | | | | | | | |
|-----------------------|--------|---------|-----------|----------------------|-------|-------|-----------|
| Growth Ratios | 2021 | 2020 | % Changes | Activity Ratios | 2021 | 2020 | % Changes |
| Sales Growth | 33.7% | (24.5)% | 237.7% | Receivable Turnover | 5.4 | 4.4 | 0.24 |
| Income Growth | 186.6% | 81.4% | 129.2% | Inventory Turnover | 31.1 | 17.8 | 0.75 |
| Asset Growth | 9.1% | 6.3% | 45.1% | Fixed Asset Turnover | 301.2 | 219.4 | 0.37 |
| | | | | | | | |
| Profitability Ratios | 2021 | 2020 | % Changes | Liquidity Ratios | 2021 | 2020 | % Changes |
| Profit Margin | 6.1% | 2.8% | 114.4% | Current Ratio | 4.18 | 3.37 | 0.24 |
| Return on Assets | 17.2% | 6.5% | 166.1% | Quick Ratio | 2.74 | 2.26 | 0.21 |
| Return on Networth | 23.4% | 10.4% | 124.2% | Solvency Ratios | 2021 | 2020 | % Changes |
| Dividend Payout Ratio | 1.3% | 25.5% | -95.0% | Debt to Total Assets | 0.24 | 0.29 | -0.19 |
| Price Earnings Ratio | 9.5 | 8.5 | 11.9% | | | | |
| | | | | | | | |

Management Discussion and Analysis Report

1. INDUSTRY STRUCTURE & DEVELOPMENTS:

Global Dye-Chemical Industry

As the demand for organic chemicals is rising across the world due to the spread of the coronavirus, manufacturers are on the verge of rising the prices of organic chemicals products along with suppliers and online vendors. Globally, the dyes and pigments market is expected to see healthy growth in the coming years, led by growing construction and automotive industries. Market growth is expected to be influenced by the rising demand for organic pigments.

Indian Dye-Chemical Industry

India is a strong global dye supplier, accounting for approximately 16% of the world production of dyestuff and dye intermediates. Chemicals industry in India has been de-licensed except for few hazardous chemicals. Chemicals industry in India is highly diversified, covering more than 80,000 commercial products. It is broadly classified into Basic chemicals, Specialty chemicals, and Agrochemicals. Indian chemicals industry (excluding pharmaceutical products) ranks 14th in exports globally. Indian chemical industry employs more than 2 million people. The Indian industry has fared better and company growth rates have been in higher

single digits as relatively stronger domestic consumption has ensured that Indian chemical companies enjoyed better growth compared to their global peers. The chemical industry in India is a key constituent of Indian economy, accounting for about 2.11 per cent of the GDP. With just a couple exceptions, outlooks for key chemical markets are equally bright.

2. Economic scenario:

Your Company has been continuously striving to keep its costs to minimum possible to aggressively compete with Indian & global competitors. Moreover, slowly India is getting competitive with respect to global manufacturers, as global environmental rules are becoming stringent like that of India. The lockdowns and restrictions imposed on various business operations due to COVID 19 pandemic have created several obstacles in day to day activities of the company. As stated earlier, retail facilities were shut down entirely during the lockdown phase as the company was not part of Government denominated essential services.

Corporate and regional offices were also shut, but the Company adopted the work from home policy during the entire duration of the lockdown. And In the very initial stage of this pandemic outbreak; the top level management

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suo-motu decided to make arrangements for sanitization, thermal screening, use of masks, staggered working and lunch schedules for whole staff members and customers. The company also offer specialty performance chemicals to the Sanitization, Textile Dyeing and printing industry. The Trading facility of the company is situated at Bhilwara

(Rajasthan) and Mumbai (Maharashtra). The facility is spread over 2 states. The company is an ISO 9001:2015 and ISO 14001:2015 certified company. Beside Trading of numerous types of Dyes and chemical products, Our Company has large number of products and offers an entire range of specialty chemicals used in Sanitization based products, Textiles & Garments processing.

3. Key Ratios

As required by SEBI (LODR)(Amendment) Regulations, 2018, the Company is required to furnish the details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios based on standalone financial statement, along with detailed explanations for the changes. Kindly refer Page 6 for details.

Many Ratio show favorable trend as due to the product company deals in, has shown consistent demand in market. The turnover has shown a positive impact due to reasons stated in Business Outlook. Dividend Payout Ratio was unfavorably impacted as company wants to retain some profits to meet exigencies that may arose due to COVID-19 and delayed realization of money.

4. Major challenges & solutions:

1. Manufacturing Facility Not available - Although the company is deal in variety of color shades in dyes, but as presently we don't have manufacturing facility. This restricts us to cater wider category of customers and competition. However, going forward our company would intend to expand its portfolio to develop and established manufacturing plant in future.
2. Dependent on third party suppliers - Our company deal in Dye and chemical

intermediates from third party producers. It does not have its own manufacturing facility for producing intermediates and hence is largely dependent on third parties. In the past, company has faced cost issues owing to higher prices of intermediates charged by them, we are prone to such threats by them. However, the relationship and the volume of business we generate for them somehow mitigates this weakness of us.

3. Increasing competition - Dye and chemical industry is highly competitive, facing stiff competition from both organized and unorganized player. Our company faces tough competition from them in terms of pricing and customer base. Also, there are always the chances of new players entering this sector since barriers to entry are low. Further, there is contingency on how long benefit accruing due to China may be enjoyed. There may be turnaround in China's dye and chemical industry which possess huge threat to Indian market. However, our company has been successful enough to compete with them with increasing market share.
4. Extreme volatility of exchange rate of rupee against US dollar can have significant impact on the Company's operations because company has substantial imports. Any major change in Environment Policy by Government can affect the production on short term basis.
5. Impact of COVID-19 outbreak-The Company is predominantly dependent on

trading operations and company also deals with Export orders.

There is subsequent impact seen on sale with a reduction in monthly sale of the products and exports. The sale which was executed during the Lock down period were mostly execution of advance sale orders.

The drop in sales is also expected to impact the profitability in the near term.

The exact impact of this pandemic can't be estimated at this point of time but the company expect a substantiate increase in purchase price, material handling, transportation and the same will significantly increase the inventory cost.

5. Government Initiatives

The chemical industry has responded by mass-producing cost-effective hygiene and cleanliness maintenance solutions for domestic and industrial applications in the form of soaps, detergents and sanitizers. The government is also supporting these ventures.

6. Dyes-chemical industries post covid intricacies.

Like many industries, coronavirus has hit chemical

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manufacturing hard, not only due to shutdowns but also because of moves to restrict the activities of people and consumers. World trade has plummeted, while oil prices have fallen.

Post-coronavirus, your business will need to be competitive and achieve more with less. If you're not on a path already, you need to think deeply about what your business can gain from digital transformation.

The key challenges are a mixture of the consequences of the shutdown affecting the spread of fixed costs, labour shortages including contract workers, challenges with working capital and finally the decline in local and export demand.

7. Business outlook:

Your Company has progressively leveraged product quality assurance and good trade practices to trade in higher value products, expanding capacities to optimal scale. The Company has placed a greater focus on better value added chemical storage and delivering process. Comparative low labour costs, excellent army of technical manpower, capabilities to scale up technologies, potential to increase share in undeveloped domestic and global markets shall empower your company's Speciality Chemicals growth.

The company has recently issued Bonus shares to equity shareholders on right issue basis in November, 2020 in ratio of 1:3; so company is in a comfortable position in view of capital adequacy. Also, Bankers and lenders of the company have provided adequate Bank and O/d limit that will help to meet out working capital requirements.

As expected from previous FY 2020-21 performance the company was able to reduce its overall debts. In view of financial year 2021-22; the company expects a strong position in regards of solvency, liquidity and overall financial outlook of the company.

Several Sanitization chemical in which company and its group firms deal in; will surely provides an opportunity in near quarter and the products will definitely help society and industry to mitigate the risk of virus outburst.

Before the COVID-19 pandemic outbreak, the Company embarked upon a proper online payment facility at all its regional offices. This initiative will help company to reduce customer visit to the business place. Company has also adopted online brochure based

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promotion; which help customers to choose the ideal product from their home itself.

Company has planned several measures to mitigate risk of increase in inventory cost, material handling charges and for reducing risk of bad debts.

The company is having good solvency position and a viable outlook to pay its long term and short term debts and other finance cost. The company continues a good financial discipline by timely payment of interest and its liabilities.

The Company always strives to cater to the customized demand and main focus is to cater the need of the Textile and Garments Industry, Dyes Industry, Chemical Industry and your company has achieved target revenues with high level of customer satisfaction. With very robust demand for company's products, Company has potential for adding capacities in coming period.

8. Segment wise performance:

In FY 2020-21, around 100% of total sales of the company came from domestic sales of dye and chemical stuff in India. The company mainly got good demand for Sulphur Dyes and Chemicals, Hydrogen Peroxide, Sodium Bi Carbonate, Sodium

Meta Bi Sulphite, Soda Ash Light, etc.

Your Company has sound and adequate internal control systems commensurate with its size and nature of business. We constantly upgrade our systems for incremental improvements. The Audit Committee of the Board periodically reviews these systems. These systems ensure protection of assets and proper recording of transactions and timely reporting. Internal audit is conducted out by an independent professional firm on regular basis. The Audit Committee also regularly reviews the periodic reports of the Statutory Auditors, Internal Auditors and Accounts departments. The Company has trained the staff in order to upgrade with the recent changes in the taxation like GST. Audit Committee constantly tries to add value by evaluating existing systems.

9. Financial performance overview:

Your Company has grown progressively on year-to-year basis through addition of new products as well as continuous upgradation and optimisation of its trading facilities. The Company has a healthy turnover and profit track record and has a robust outlook for the future. Despite of slow global economic recovery, global issues faced due to pandemic outbreak and nation-wide challenging environment in Dye-chemical and allied Sector, it was only with aggressive strategies on various fronts and with proper utilization of all available facilities by the directors of the company.



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10. **Material developments in human resources / industrial relations front, including number of people employed:**

Human capital has always been the most important and valuable asset for the Company. Your Company continued its activities during the year in a cordial atmosphere with utmost co-operation amongst employees and

the management. As of the date of the report, the total number of the employees of Company is 9. The management is committed to promote safety, occupational health and proper environment in designing, planning, training and completion of all tasks. Trainings are imparted to workmen in various new techniques and systems.

**For and on behalf of the Board of Directors of
SHANKAR LAL RAMPAL DYE-CHEM LIMITED**

**PLACE-BHILWARA
DATE-30/06/2021**

Sd/-
**RAMPAL INANI
MANAGING DIRECTOR**

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BOARD REPORT

To,
The Members,
Shankar Lal Rampal Dye-Chem Limited
(Previously Shankar Lal Rampal Dye-Chem Private Limited)

Your Directors have pleasure in presenting their 16th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended on March 31st, 2021.

1. Financial Summary Of The Company (Standalone)

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

(Figures in Lakhs)

| Particulars | For the year ended | |
|--|--------------------|-----------------|
| | 31.03.2021 | 31.03.2020 |
| Income from Business Operations | 17757.82 | 13260.49 |
| Other Income | 11.44 | 31.25 |
| Total Turnover | 17769.26 | 13291.74 |
| Profit before Interest, Depreciation & Tax | 1214.71 | 578.69 |
| Less:- Financial Expenses | 133.33 | 198.69 |
| Profit before Depreciation & Tax | 1081.38 | 380 |
| Less:- Depreciation | 4.62 | 4.34 |
| Profit after depreciation and Interest | 1076.76 | 375.66 |
| Less:- Current Income Tax (incl. earlier year tax) | 313.26 | 105.97 |
| Less:-Deferred Tax | 0.23 | 0.19 |
| Net Profit /Net Loss after Tax | 763.27 | 269.5 |
| Amount transferred to General Reserve | 0 | 0 |
| Balance carried to Balance Sheet | 763.27 | 269.5 |
| Earnings per share (Basic-Weighted Average)-Based on Current year Net profit | 7.16 | 4.44 |
| Earnings per Share(Diluted-Weighted Average) -Based on Current year Net profit | 7.16 | 4.44 |

*In FY 2020-21 Final Dividend of Rs. 0.10 per share (For FY 2019-20) was declared and was distributed.

2. Dividend

Considering the dividend history of the Company, liquidity position that is required to be maintained to meet the future capital investment, to ensure appropriate cover for market risk and to maintain a consistent level of dividend pay-out your Board of Directors recommends Final Dividend of Rs. 00.10/- (i.e. 01.00%) per Equity Share of Rs.10/- each, for the year amounting to Rs. 10.66 Lacs. As provided in the Finance Act 2020, from the Financial Year 2020-21 and onwards dividend is being taxed in the hands of recipients. Information about taxation of dividend is included in AGM Notice.

3. Operational Highlights

Your Company is engaged in the business segment i.e. Trading in Dyes, Chemical and allied products. There has been no change in the business of the Company during the financial year ended 31st March, 2021. The Board of Directors would like to mention that the Company's operations were stopped substantially from 17th March 2020 till the 1 week of May 2020 due to nationwide lockdown and later on there were curfew restrictions by

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local authorities; again in March 2021 lockdown was imposed by government till last week of May, 2021. Corporate offices, regional offices, retail Operations, imports and exports, etc.; were substantially reduced during the period and the company was able to get only very marginal sales through executing some advance sales orders. Company has also adopted online brochure based promotion; which help customers to choose the ideal product from their home itself.

The highlights of the Company's performance are as under:-

- In spite of COVID-19 outbreak total revenue of your co. is increased to Rs. 17769.26 Lacs (Out of which Gross turnover from Business operations of Rs. 17757.82 Lacs) recorded for the financial year 2020-21 from Last year Revenue which was 13291.74 Lacs (Out of which Gross turnover from Business operations was Rs. 13260.49 Lacs). As expected by management; your company see better future possibilities despite of prevailing market slow-down, volatile raw material prices and increased logistics cost and same have been seen on basis of good market approach, usage of company's products in many important industries and loyal customers.
- The financial statements for the year ended on 31st March, 2021 show the profit of Rs.763.27 Lacs in FY 2020-21 as compared to Rs. 269.50 Lacs last year; this commendable growth of

183.21% (YOY) this commendable growth in profits is recorded inspite of increasing overhead costs and material costs.

4. Shares And Share Capital

At present, the Company has only one class of share - Equity shares of face value of Rs. 10 each. The authorized share capital of the company is **Rs. 11,00,00,000/- divided into 1,10,00,000 equity shares of Rs.10 each**. The paid up share capital of the company is **Rs. 10,66,11,300/- divided into 1,06,61,130 equity shares of Rs. 10 each**. The equity shares of the Company are now listed on Main Board platform of BSE Limited w.e.f. 08/04/2021.

Also, during the Financial Year 2020-21; there were

- ❖ **No BUY BACK of Equity Shares.**
- ❖ **No Employee Stock Option Plan was passed.**
- ❖ **There was an allotment of Bonus Shares on right issue basis in ratio of 1:3.**
- ❖ **No Further public offer.**
- ❖ **Fresh Issue of Equity Shares by way of Bonus Allotment on Right Issue Basis-** During the year the company has listed its equity shares through a Bonus Shares Right Issue dated 09.11.2020 of 26,65,280 equity shares. The allotment was in the ratio of 1 (One) equity share for every 3 (Three) equity shares

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held (i.e. in the ratio of 1:3 shares).

There is no amount outstanding to be transferred as unclaimed dividend to investor education and protection fund.

5. Ipo fund utilisation:

The amount raised in IPO in previous FY 2018-19 has been fully utilized for the specified purposes.

6. Credit Facilities:

The Company has been optimally utilizing its fund based and non fund based working capital requirements as tied up with ICICI BANK and AXIS BANK respectively. The Company was comfortable in meeting its financial requirements from both the banks. Effective financial measures have been continued to reduce cost of interest and bank charges.

7. Transfer of unclaimed dividend to investor education and protection fund:**10. Conservation of energy, technology absorption, foreign exchange earnings and outgo:**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as under:

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following: Steps taken by the company for utilizing alternate sources of energy including waste generated : the company is using more energy efficient lights and technology to save energy. The computer systems are timely repaired; so that they sustain for more longer time.

(B) Technology absorption:

1. Efforts in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., asset improvement, cost reduction, warehouse development, etc. The Company has not entered into any technology based ventures during the year under review. However the Company aims for digitization of

8. Material events occurring after balance sheet date:

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statement relate and the date of the Board Report.

9. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future:

No significant and material orders were passed by the regulators or courts or tribunals which may have impact on the going concern status and future operation of the Company.

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processes of purchase, sales, marketing and other operations over next year and gradual increase in manpower, facilities and office workspace.

2. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

The Company has not imported any technology and hence not applicable.

3. Expenditure incurred on Research and Development:

The Company has not incurred any expenditure on research and development.

(C) Foreign exchange earnings and Outgo (Rupees in Lakhs): As provided in Notes to the Accounts to Financial Statements

ANNUAL REPORT 2020-21**11. Risk management:**

The Company has framed a sound Risk Management Policy to identify and evaluate business risks and opportunities and the same has become integral part of Company's day to day operations. The key business risks identified by the Company are as follows viz. Industry Risk, Management and Operations Risk, Market Risk, Government Policy risk, Liquidity risk, and Systems risk. The Company has in place adequate mitigation plans for the aforesaid risks.

12. Corporate social responsibility initiatives:

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 is not applicable to the Company in FY 2020-21.

13. Particulars of loans, guarantees or investments made under section 186 of the companies act, 2013:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence furnishing of above information is not applicable.

14. Internal financial control & internal control systems:

Your Company has sound and adequate internal control systems commensurate with its size and nature of business. We constantly upgrade our systems for incremental improvements. The Audit

Committee of the Board periodically reviews these systems. These systems ensure protection of assets and proper recording of transactions and timely reporting. Internal audit is conducted out by an independent professional firm on regular basis. The Audit Committee also regularly reviews the periodic reports of the Statutory Auditors, Internal Auditors and Accounts departments. The Company has trained the staff in order to upgrade with the recent changes in the taxation like GST. Audit Committee constantly tries to add value by evaluating existing systems.

15. Related party transactions:

Related party transactions that were entered 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 party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Board Meeting as per the omnibus approval of Audit Committee and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable

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provisions of the Companies Act 2013, the Rules there under and the Listing Regulations. This Policy has been uploaded on the website of the Company at <Http://Www.Srdyechem.Com/Investor-Relations.Asp>.

16. Directors / Key Managerial Personnel:

There has been change in the constitution of Board during the year under 2020-21. During the Period Mr. Aditya Soni (08590851) appointed as appointed/regularized as Independent Director in Annual General Meeting held in 2020.

The details of management are given in the Corporate Governance Details.

In terms of the provisions of the Companies Act, 2013, and the Articles of Association of the Company, Mr. Vinod Kumar Inani, Director, retires at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment

There has been below changes:

| NAME | DATE OF APPOINTMENT/ CHANGE IN DESIGNATION | CURRENT DESIGNATION |
|--------------------|--|----------------------|
| <u>ADITYA SONI</u> | 31/08/2020 (reappointed) | INDEPENDENT DIRECTOR |

❖ Board evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has

carried an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration.

❖ Remuneration Policy:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for Determining, Qualifications, Positive Attributes and Independence of a Director and also a Policy for remuneration of Directors, Key managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report.

❖ Meetings:

During the year **Six Board Meetings, one extra-ordinary meeting, one postal ballot, Annual General Meeting, Four Audit Committee Meetings, 1 Nomination and Remuneration Committee and One Independent director's Meeting** were convened and held. The details are given in the Corporate Governance Details. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The required particulars of various Committee Meetings held during the year are stated in the Corporate Governance Details.

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❖ Declaration of independent directors:

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules. All Independent directors of the company are registered on IICA Independent Director database.

❖ Declaration by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

There is no CEO in the company; but Managing Director and CFO affirm to such compliance.

17. Details of Difference between amount of the valuation done at the time of one time settlement and valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

There were no such matters.

18. Audit committee and vigil mechanism:

The composition and other particulars of Audit Committee are provided in the Corporate Governance Details, attached

herewith. In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

19. Nomination and remuneration policy:

The remuneration policy of the company and Board Diversity policy is available at Company's Website at www.srdyechem.com.

20. Statement showing Integrity, Expertise and Experience(including proficiency) of Independent Director

| NAME OF DIRECTOR | DIN/ DESIGNATION | EDUCATIONAL QUALIFICATION | EXPERTISE | PROFICIENCY |
|--------------------|---|---------------------------|--|---|
| ANIL KUMAR KABRA | 08150149/ Independent Director | CA | Commercial Laws, Business customary Practices | Passed Independent Director proficiency test and registered on IICA portal |
| ADITYA SONI | 08590851/ Independent Director | MBA | Marketing and Business Handling | |
| MURLI ATAL | 08150205/ Independent Director | CA | Commercial Laws, Income Tax and Indirect Taxes | Registered on IICA portal, completed many modules under Independent Director Proficiency Curriculum and preparing for Test. |
| APOORVA MAHESHWARI | 08150259/ Women Director &Independent Director | MBA | Human Resource and Research Analysis | |
| HARSH KABRA | 08150255/ Independent Director | CA | Commercial Laws, Income Tax and Indirect Taxes | |

21. Directors responsibility statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its responsibility Statement: –

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

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22. Annual return:

Copy of Annual Return of Company pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 will be placed at website of the Company with effect from date of Annual General Notice dispatch.

Weblink of the same is as <http://www.srdyechem.com/investor-relations.asp>.

23. Subsidiaries, joint ventures and associate companies:

The Company does not have any Subsidiary, Joint venture or Associate Company.

24. Deposits:

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

25. Auditors

❖ Statutory Auditor

The Company's Auditors **M/s Alok Palod & Company, Chartered Accountants**, are Auditors of the Company; were appointed in last AGM; to hold the office until conclusion of the Annual General Meeting to be held in year 2023.

❖ Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has appointed CS Sanjana Jain, a Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure I".

❖ Internal Auditor

In pursuant to Section 138 of the Companies Act, 2013; the company has appointed M/s Laxman Kumar & Associates, Chartered Accountants, Bhilwara; as Internal Auditor of the Company.

26. Observations and remarks of Auditor:

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

27. Corporate Governance :

Provisions relating to Corporate Governance Report under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to SME listed Company. However, as now in Financial Year 2021-22 the company is listed on Main Board. A separate Section on Corporate Governance has been annexed.

ANNUAL REPORT 2020-21**28. Disclosure under the sexual harassment of women at workplace (prevention of, prohibition and redressal) act, 2013:**

The Company has in place a Sexual harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints for sexual harassment were received during the year.

29. Cost audit:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, cost audit and maintenance of cost records is not applicable to the Company for the Financial Year 2020-21.

30. Compliance of applicable secretarial standards :

The Company has complied with the provisions of Secretarial Standards (I & II) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

31. Human resources development:

During the period under review, the personal and industrial relations with

the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

Information as per Rule 5(1) of Chapter XIII, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is shown in Corporate Governance Section.

During the year, there was No employee receiving remuneration exceeding Rs. 1,02,00,000/- (Rupees One Crore Two Lakhs only) per annum and/or Rs. 8,50,000/- (Rupees Eight Lakhs Fifty Thousand only) per month. So, no disclosure required as per prescribed under the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

There were no employees posted and working in a country outside India, not being Directors or relatives, drawing more than the amount prescribed under the Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, the details are not required to be circulated to the Members and also not required to be attached to this Annual Report.



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32. Acknowledgement:

Your Directors place on record their sincere thanks to the company's customers, employees, bankers, investors, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review.

Your Directors also acknowledges gratefully the support and confidence reposed by each and every member of Srdyechem Family.

**For and on behalf of the Board of Directors of
SHANKAR LAL RAMPAL DYE-CHEM LIMITED**

**PLACE-BHILWARA
DATE-30/06/2021**

**Sd/-
RAMPAL INANI
MANAGING DIRECTOR**

Annexure-I

MR-3

Secretarial Audit Report

(For the Financial year ended on 31st March, 2021)

[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,
SHANKAR LAL RAMPAL DYE-
CHEM LIMITED
SG-2730, SUWANA,
BHILWARA-311001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by SHANKAR LAL RAMPAL DYE-CHEM LIMITED (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, minutes 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, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and

subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2021 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings-**Not applicable on the company.**
5. 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.

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C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - **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, 2011 regarding the Companies Act and dealing with client.

G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable to the Company during the Audit Period. and

H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. - Not Applicable to the Company during the Audit Period.

Other Statutory Acts and laws related to Factories Act, Pollution Laws, PF/ESI, etc. are not applicable as it is a trading Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least 7 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.

During the Audit period, all the decisions were taken by the Board of Directors or Committee of the Board without any dissent by any of the Directors of the Company as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the



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Company commensurate with the size and operations of the Company to monitor and ensure compliance with

applicable laws, rules, regulations and guidelines.

DATE-26/06/2021

PLACE-BHILWARA

UDIN- F008688C000521827

**FOR CS SANJANA JAIN
(Company Secretaries)**

Sd/-

**CS Sanjana Jain
COP-7217
M. No.- 8688**

Annexure to Secretarial Audit Report

To,
The Members,
SHANKAR LAL RAMPAL DYE-CHEM
LIMITED
SG-2730, SUWANA,
BHILWARA-311001

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the

practices, we followed provided a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

DATE-26/06/2021
PLACE-BHILWARA
UDIN- F008688C000521827

FOR CS SANJANA JAIN
(Company Secretaries)

Sd/-

CS Sanjana Jain
COP-7217
M. No.- 8688

**ANNUAL REPORT 2020-21****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Shankar Lal Rampal Dyechem Limited
SG 2730, Suwana,
Bhilwara-311011(Raj.)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shankar Lal Rampal Dye chem Limited having CIN L24114RJ2005PLC021340 and having registered office at SG 2730, Suwana, Bhilwara (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| DIN/PAN | Name | Begin date | End date | Surrendered DIN |
|----------|-----------------------------|------------|----------|-----------------|
| 00479985 | JAGDISH CHANDRA INANI | 23/04/2018 | - | |
| 00480021 | RAMPAL INANI | 19/09/2005 | - | |
| 02928254 | SUSHEEL KUMAR INANI | 22/08/2018 | - | |
| 02928272 | VINOD KUMAR INANI | 23/04/2018 | - | |
| 02928287 | DINESH CHANDRA INANI | 14/03/2015 | - | |
| 08150149 | ANIL KUMAR KABRA | 09/06/2018 | - | |
| 08150205 | MURLI ATAL | 09/06/2018 | - | |
| 08150255 | HARSH KABRA | 09/06/2018 | - | |
| 08150259 | APOORVA MAHESHWARI | 09/06/2018 | - | |
| 08590851 | ADITYA SONI | 26/10/2019 | - | |



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Ensuring the eligibility of/ for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the

Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**PLACE-BHILWARA
UDIN- F008688C000682020**

**FOR CS SANJANA JAIN
(Company Secretaries)**

Sd/-

**CS Sanjana Jain
COP-7217
M. No.- 8688**

Annexure-II

CORPORATE GOVERNANCE DETAILS

1. Company's Philosophy on Code of Governance:

Company's corporate governance details are suo-moto disclosure and prospective practice to be followed by the company regarding various management and administration related issues. In addition, it incorporates several practices aimed at a high level of business ethics, effective supervision and enhancement of value for all stakeholders. The Board lays emphasis on integrity and accountability.

2. Board of Directors:

(a) Composition & Category of Directors

Your Company has 5 Executive Directors (including Managing Director and 4 Whole Time Directors) and 5 Non Executive Independent Directors (including one women independent director).

Mr. Rampal Inani is Managing Director of the Company.

(b) Number of Board Meetings held, dates on which held and Attendance of Director at the Board Meetings and the last Annual General Meeting :

1. Board Meetings held during the Year- 6

| Date of Meeting | Total Strength of Board | Quorum |
|------------------------|--------------------------------|---------------|
| 31.07.2020 | 10 | 8 |
| 21.09.2020 | 10 | 8 |
| 28.10.2020 | 10 | 4 |
| 09.11.2020 | 10 | 7 |
| 23.12.2020 | 10 | 7 |
| 29.01.2021 | 10 | 6 |

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2. Attendance of Directors at Board Meeting and AGM:

| NAME | No. of Board Meeting held during tenure | No. of Board Meeting Attended | Whether attended Annual General Meeting - 31/08/2020 |
|-----------------------|---|-------------------------------|--|
| RAMPAL INANI | 6 | 6 | Yes |
| DINESH CHANDRA INANI | 6 | 5 | Yes |
| JAGDISH CHANDRA INANI | 6 | 5 | Yes |
| VINOD KUMAR INANI | 6 | 4 | Yes |
| SUSHEEL KUMAR INANI | 6 | 5 | Yes |
| ANIL KUMAR KABRA | 6 | 4 | No |
| MURLI ATAL | 6 | 3 | No |
| APOORVA MAHESHWARI | 6 | 2 | No |
| HARSH KABRA | 6 | 3 | No |
| ADITYA SONI | 6 | 3 | NA |

C) Number of other Boards or Board Committees in which the Director is a Director /Member /Chairperson :

Your Board of Directors are wholly engaged in serving your company. There no other company in which any of your Director is holding any such position.

3. Audit Committee

1. Terms of Reference-

The terms of reference of this Committee include matters mandated in the Listing Regulations and Companies Act, 2013.

2. Composition of Audit Committee(reconstituted on 09/11/2020) and details of the Members participation at the meetings of the committee are as under-

| <u>Name of the Director</u> | <u>Status</u> | <u>Nature of Directorship</u> |
|-----------------------------|---------------|-------------------------------|
| Anil Kumar Kabra | Chairman | Independent Director |
| Murli Atal | Member | Independent Director |
| Aditya Soni | Member | Independent Director |
| Susheel Kumar Inani | Member | Whole Time Director |

The following 4 meetings were held during the financial year 2020-21-

| <u>Date of Meeting</u> | <u>Number of Member</u> | <u>Total Attendance</u> |
|------------------------|-------------------------|-------------------------|
| 23.07.2020 | 4 | 3 |
| 12.09.2020 | 4 | 2 |
| 09.11.2020 | 4 | 2 |
| 16.01.2021 | 4 | 2 |

4. Nomination and Remuneration

a. Composition of Nomination and Remuneration Committee and details of the Members participation at the meetings of the committee are as under-

| <u>Name of the Director</u> | <u>Status</u> | <u>Nature of Directorship</u> |
|-----------------------------|---|-------------------------------|
| Apoorva Maheshwari | Chairman till 09.11.2020 (afterwards Member) | Independent Director |
| Murli Atal | Chairman from 09.11.2020 | Independent Director |
| Harsh Kabra | Member | Independent Director |
| Anil Kumar Kabra | Member till 09.11.2020 only | Independent Director |

The following meeting was held during the financial year 2020-21-

| <u>Date of Meeting</u> | <u>Number of Member</u> | <u>Total Attendance</u> |
|------------------------|-------------------------|-------------------------|
| 23/07/2020 | 3 | 2 |

b. Remuneration Policy-

Remuneration policy of the company is hosted on website of the company. (<http://www.srdyechem.com/investor-relations.asp>)

5. Meeting of Independent Directors:

A separate meeting of Independent Directors was held on July 18th, 2020 (without attendance of Non Independent Director(s)).

6. General Meetings of the Company
1. Annual General Meetings of Last 3 years-

| S.No. | Date | For the Financial Year | Address |
|-------|------------|------------------------|---|
| 1 | 15-09-2018 | 2017-18 | SG-2730, Suwana, Bhilwara-311001, Rajasthan |
| 2 | 30-08-2019 | 2018-19 | SG-2730, Suwana, Bhilwara-311001, Rajasthan |
| 3 | 31-08-2020 | 2019-20 | SG-2730, Suwana, Bhilwara-311001, Rajasthan |

2.Extra-Ordinary General Meetings during the year-

| S.No. | Date | Address | Ordinary/Special Resolutions (O.R./S.R.) |
|-------|------------|---|--|
| 1 | 19.10.2020 | SG-2730, Suwana, Bhilwara-311001, Rajasthan | 1. INCREASE IN AUTHORISED SHARE CAPITAL (to Rs. 11.00 Crore)-O.R. 2. APPROVAL TO BONUS ISSUE OF EQUITY SHARES ON RIGHT ISSUE BASIS-S.R. |

3.Special Resolution Passed through Postal Ballot-1; on 04/03/2021. This was approval for migration from BSE SME Board to BSE Main board.

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7. Details in terms of sub section 12 of Section 197 of the companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) Ratio of Remuneration of each Director to the median employees' remuneration for the FY 2020-21 and Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the FY 2020-21:

| Name of Director/KMP | Designation | Remuneration | Ratio | Percentage Increase/decrease during the year |
|-----------------------|--|--------------|--------|--|
| ADITYA SONI | Non Exe. Independent Director | 2500 | 0.01:1 | 66.67% |
| HARSH KABRA | Non Exe. Independent Director | 3000 | 0.01:1 | -14.28% |
| APOORVA MAHESHWARI | Non Exe. Independent Director | 2500 | 0.01:1 | -37.50% |
| MURLI ATAL | Non Exe. Independent Director | 3000 | 0.01:1 | -40% |
| ANIL KUMAR KABRA | Non Exe. Independent Director | 4500 | 0.01:1 | -25% |
| ADITI BABEL | Company Secretary & Compliance Officer | 240000 | 0.09:1 | 36% |
| RAMPAL INANI | Managing Director | 4200000 | 1.56:1 | Nil |
| JAGDISH CHANDRA INANI | Whole Time Director | 4200000 | 1.56:1 | Nil |
| DINESH CHANDRA INANI | Whole Time Director | 4200000 | 1.56:1 | Nil |
| VINOD KUMAR INANI | Whole Time Director | 4200000 | 1.56:1 | Nil |
| SUSHEEL KUMAR INANI | Whole Time Director & CFO | 4200000 | 1.56:1 | Nil |

Note: Executive Director(Whole Time director) are paid remuneration and Independent director are only paid sitting fees for meetings they attend.

- b) **the percentage increase in the median remuneration of employees in the financial year: current FY 2020-21 median remuneration is Rs. 27 Lacs and previous FY (2019-2020)'s median remuneration was Rs. 27 Lacs; there have been no change in median remuneration as compared to previous financial year.**
- c) **the number of permanent employees on the rolls of company:**there are 9 permanent employees of the company on rolls in middle and lower
- d) **average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if**

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there are any exceptional circumstances for increase in the managerial remuneration-

the average percentile increase of all employees is as per plan sanctioned by Nomination committee in consideration with policy in this regard.

Independent Director- have taken sitting fees for period under review.

Whole Time Director- remuneration was sanctioned as per Board Resolution dated 15.03.2020. There is no variable or extra-ordinary parameter differentiating remuneration; all whole time director are paid on same basis.

Company Secretary and Compliance Office- Remuneration is increased in pursuance to remuneration policy and company secretary was appointed in July, 2018 and hence in last year comparatively less remuneration was paid based on date of joining.

e) The remuneration is as per Remuneration policy of the company.

8. General Information to the share holder-

| S.No. | Particulars | Details |
|-------|---|---|
| 1. | Date of Book Closure | From: 13.08.2021 To: 25.08.2021 |
| 2. | Record Date for Dividend | 13.08.2021 |
| 3. | Dividend Payment Date | Within 30 days , if declared at Annual General Meeting |
| 4. | Listing on Stock Exchange | ISIN(forNSDL/CDSL)-INE01NE01012 BSE SYMBOL-SRD SCRIP CODE-542232 |
| 5. | Registrar and Share Transfer Agent | Cameo Corporate Services Ltd, Subramanian Building, 1, Club House Road, Chennai, Tamil Nadu, 600002 TEL- 044 - 28460425 FAX- 044 - 28460129 EMAIL AT- rdr@cameoindia.com Website- www.cameoindia.com |
| 6. | Share Transfer System | All share transfer request is processed by RTA of the Company. |
| 7. | Dematerialization of Shares and Liquidity | All Equity Shares of the Company are in dematerialized form. |

Annexure-III

AOC-2

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

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

| Sl No. | Particulars | Amount (₹) |
|--------|---|--|
| 1 | Details of contracts or arrangements or transactions not at arm's length basis | NIL |
| (a) | Name(s) of the related party and nature of relationship | |
| (b) | Nature of contracts/arrangements/transactions | |
| (c) | Duration of the contracts/arrangements/transactions | |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any | |
| (e) | Justification for entering into such contracts or arrangements or transactions | |
| (f) | date(s) of approval by the Board | |
| (g) | Amount paid as advances, if any: | |
| (h) | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | |
| 2 | Details of material contracts or arrangement or transactions at arm's length basis | No new material related party transaction entered. |



INDEPENDENT AUDITORS' REPORT

**To the Members of
ShankarlalRampal DyeChem Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial statements of ShankarlalRampal Dye Chem Limited("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Companies Act, 2013 ("the Act") in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAs") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



ALOK PALOD & CO.

CHARTERED ACCOUNTANTS

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter | How the matter was addressed in our audit |
|--|--|
| <p><u>1.Valuation of Inventories</u></p> <ul style="list-style-type: none">• The net carrying value of inventory as on 31st March, 2021 is 10.07 % of Total Assets of the company.• Sales in the industry can be extremely volatile with consumer demand changing significantly (Seasonal) based on current trends. As a result, there is a risk that the carrying value of inventory exceeds its net realisable value. <p>Hence, we determined the valuation of inventories as a key audit matter.</p> <p><u>Related Disclosures:</u> Please refer to Note for details of the accounting policies of inventories and Note-4 of Notes to Financial Statements for relevant disclosures of inventories.</p> | <p><u>Our audit procedure:</u></p> <ul style="list-style-type: none">• We have performed the Inventory physical stock count on sample basis. We performed inventory counts at location, which is selected based on financial significance and risk and we performed the following procedures at each site:<ul style="list-style-type: none">(i) Selected a sample of inventory items and compared the quantities we counted to the quantities recorded.(ii) Observed a sample of management's inventory count procedures to assess compliance with Company's policy, and(iii) Made inquiries regarding obsolete inventory items and inspected the condition of items counted.• We have also evaluated a selection of controls over inventory existence across the company.• Examining the Company's historical trading patterns of inventory sold at full price and inventory sold below full price, together with the related margins achieved for each product lines in order to gain comfort that stock has not been sold below cost.• Evaluating the rationality of the inventory policies such as the policy of inventory valuation and provision for obsolescence and |



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| | <p>understanding whether the valuation of inventory was performed in accordance with the Company's policy.</p> <ul style="list-style-type: none">• Analyzing the inventory aging report and net realizable value of inventories.• Inspecting the post period sales situation and evaluating the net realizable value of measurement applied on aging inventory in order to verify the evaluation accuracy of the estimated inventory allowance by the Company and• Assessing whether the disclosures of provision for inventory valuation are appropriate. |
| <p><u>2. Trade Receivables</u></p> <ul style="list-style-type: none">• The recoverability of trade receivables and the level of provisions for doubtful debts are considered to be a significant risk due to the pervasive nature of these balances to the financial statements, and the importance of cash collection with reference to the working capital management of the business.• At 31st March, 2021 the trade receivables balances (net of provisions) consist of 48.30 % of the total amount of assets. Accordingly, we determined audit of trade receivables as the key audit matter. <p><u>Related Disclosures:</u> Please refer to Note-5 of Notes to Financial Statements for relevant disclosures of Trade Receivables.</p> | <p><u>Our Audit Procedure:</u></p> <ul style="list-style-type: none">• Assessed the design and implementation of key controls around the monitoring of recoverability.• Discussed with the management regarding the level and ageing of trade receivables, along with the consistency and appropriateness of receivables provisioning by assessing recoverability with reference to amount received in respect of trade receivables.• In addition, we have considered the company's previous experience of bad debt exposure and the individual counter-party credit risk.• Tested these balances on a sample basis through agreement to post period end invoicing and cash receipt.• The accuracy and completeness was verified through, analytical reviews and balance confirmation.• Analyzing the aging schedule of trade |



| | |
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| | receivable, past collection records, industry boom and concentration of customers' credit risk. |
| <p><u>3. Revenue Recognition</u></p> <p>• Revenue is an important measure used to evaluate the performance of the Company. There is a risk that the revenue is presented for amounts higher than what has been actually generated by the Company. Consequently, we considered revenue recognition to be a significant key audit matter.</p> <p><u>Related Disclosures:</u> Please refer to Note-1 of the accounting policies for details of the accounting policies of revenue recognition and Note- 16 of Notes to Financial Statements.</p> | <p><u>Our audit procedure:</u></p> <ul style="list-style-type: none">• Assessing the design, implementation existence and operating effectiveness of internal control procedures implemented as well as test of details to ensure accurate processing of revenue transactions.• Inspecting underlying documentation for any book entries which were considered to be material on a sample basis.• Inspecting the key terms and conditions of agreements with major customers on a sample basis to assess if there were any terms and conditions that may have affected the accounting treatment of the revenue recognition.• The accuracy and completeness of revenue was verified through, cut-off test, analytical reviews and balance confirmation. |

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information as identified above is expected to be made available to us after the date of this auditor's report.

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



In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information as identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

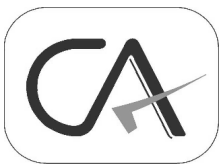
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IndAS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

In preparing the financial statements, management 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that



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includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

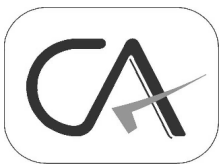
If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Shop No.3, Hare Krishna Tower, Rajendra Marg, Bhilwara-311001

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🌐 : caalokpalod@gmail.com



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016("the order) issued by the Central Government in terms of Section 143(11) of the act, we give in "Annexure I" a statement on the matters specified in paragraph 3 and 4 of the Order
- 2) As required by section 143(3) of the Act, based on our audit we report:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.



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- (d) In our opinion, the aforesaid financial statements comply with the IndAS 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, 2021 and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2021, 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 Annexure 'II' to this report.
- (g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - The Company did not have any long term contracts including derivative contracts, for which there were any material foreseeable losses.
 - There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For AlokPalod & Company.

Chartered Accountants

Firm Regn. No 018061C

AlokPalod

Partner

Membership No.- 417729

UDIN-21417729AAAAAK1449

Place: Bhilwara

Date: 30th June, 2021

Shop No.3, Hare Krishna Tower, Rajendra Marg, Bhilwara-311001

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🌐 : caalokpalod@gmail.com



ANNEXURE 'I' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shankarlal Rampal Dye Chem Limited of even date)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (Property, Plant & Equipment).
 - (b) The fixed assets (Property, Plant & Equipment) have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of company.
- ii. Physical verification of inventory has been conducted during the year at reasonable intervals by management. As informed to us no material discrepancies have been noticed on such verification.
- iii. The Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnership or other parties covered in register maintained under Section 189 of the Companies Act, 2013.
- iv. No loans have been given to parties covered under section 185 of the Companies Act, 2013. The company has not given any guarantee or provided any security to any party covered under section 185 or 186 of the Companies Act, 2013. In case of investments provisions of section 185 and 186 of the Companies Act 2013 has been complied.
- v. The company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made there under, hence this clause is not applicable.
- vi. The maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and as informed



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to us such accounts and records have not been so made and maintained. However, we have not conducted a detailed examination of the same.

- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) Undisputed statutory dues including provident fund, employee state insurance, income tax, GST, custom duty, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March, 2021.
 - (b) There is no of dues of Income Tax, Goods and Service Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of dispute.
- viii. Based on our verification, and according to the information and explanations given by the management, and also considering the relief/moratorium allowed by Reserve Bank of India pursuant to Covid-19 pandemic, the Company has not defaulted in the repayment of loans or borrowings to any banks and financial institutions. The Company did not have any loans or borrowing in respect of Government or dues to debenture holders during the year
- ix. The Company has not raised any money by way of initial public offer or further public offer. According to the information and explanation given to us, the money raised by the company by way of term loans have been applied for the purpose for which they were obtained.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. The Company has complied with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of



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related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, accordingly this clause is not applicable
- xv. The Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For Alok Palod & Company.

Chartered Accountants

Firm Regn. No 018061C

Sd/-

Alok Palod

Partner

Membership No.- 417729

UDIN-21417729AAAAAK1449

Place: Bhilwara

Date: 30th June, 2021



Annexure “II” forming part of Independent Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).

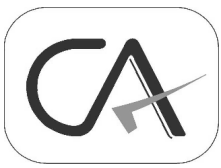
We have audited the internal financial controls with reference to financial statements of ShankarlalRampal Dye ChemLIMITED(“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to financial statements 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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



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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls with reference to financial statements 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 controls with reference to IndAS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial controls with reference to financial statements

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



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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to IndAS financial statements were operating effectively as at March 31, 2021, based on the internal financial controls with reference to IndAS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For AlokPalod& Company.

Chartered Accountants

Firm Regn. No 018061C

AlokPalod

Partner

Membership No.- 417729

UDIN-21417729AAAAAK1449

Place: Bhilwara

Date: 30th June, 2021

SHANKARLAL RAMPAL DYE CHEM LIMITED
CIN: L24114RJ2005PLC021340
BALANCE SHEET AS AT 31st MARCH 2021

All figures appearing in the Financial Statements
shall be rounded off as below:

| | Particulars | Note No. | As at 31 st March 2021 | As at 31 st March 2020 | As At 1st April 2019 |
|------------|---|----------|-----------------------------------|-----------------------------------|----------------------|
| | ASSETS | | | | |
| (1) | Non-Current Assets | | | | |
| | (a) Property, Plant and Equipment | 2 | 5,898,852 | 6,058,679 | 3,683,124 |
| | (b) Capital work-in-progress | | - | - | - |
| | (c) Other Intangible Assets | | - | - | - |
| | (d) Deferred tax assets (Net) | 11 | - | 18,907 | 38,379 |
| | (e) Other non-current assets | 3 | 50,000 | 420,000 | 879,000 |
| | Total Non-Current Assets (A) | | 5,948,852 | 6,497,586 | 4,600,503 |
| (2) | Current Assets | | | | |
| | (a) Inventories | 4 | 65,781,221 | 41,671,717 | 103,766,047 |
| | (b) Financial Assets | | | | |
| | (i) Trade Receivables | 5 | 315,336,901 | 341,573,329 | 268,825,959 |
| | (ii) Cash and Cash equivalents | 6 | 108,481,236 | 26,599,784 | 121,972,311 |
| | (iii) Other Bank balances | 6A | - | 29,900,000 | 3,000,000 |
| | (iv) Other Financial Assets | | - | - | - |
| | (c) Current Tax Assets (Net) | 7 | - | 2,040,995 | 4,273,501 |
| | (d) Other Current Assets | 8 | 157,389,019 | 150,219,222 | 56,772,740 |
| | Total Current Assets (B) | | 646,988,377 | 592,005,047 | 558,610,558 |
| | Total Assets (A+B) | | 652,937,229 | 598,502,633 | 563,211,061 |
| | EQUITY AND LIABILITIES | | | | |
| | Equity | | | | |
| | (a) Equity Share Capital | 9 | 106,611,300 | 79,958,500 | 59,978,500 |
| | (b) Other Equity | 10 | 391,545,207 | 342,671,024 | 237,609,023 |
| | Total Equity (A) | | 498,156,507 | 422,629,524 | 297,587,523 |
| | LIABILITIES | | | | |
| (1) | Non-Current Liabilities | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Borrowing | | - | - | - |
| | (ii) Other financial liabilities | | - | - | - |
| | (b) Provisions | | - | - | - |
| | (c) Deferred tax liabilities (Net) | 11 | 4,873 | - | - |
| | Total Non-Current Liabilities (B) | | 4,873 | - | - |
| (2) | Current Liabilities | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Borrowing | 12 | 125,013,490 | 159,555,484 | 248,407,242 |
| | (ii) Trade payables | 13 | | | |
| | - Due to Micro & Small Enterprises | | 184,950 | 765,476 | 1,293,406 |
| | - Due to Others | | 14,484,170 | 11,549,020 | 15,362,142 |
| | (iii) Other financial liabilities | | - | - | - |
| | (b) Other current liabilities | 14 | 4,544,169 | 4,003,129 | 560,749 |
| | (c) Provisions | | - | - | - |
| | (d) Current Tax Liabilities (Net) | 15 | 10,549,070 | - | - |
| | Total Current Liabilities (C) | | 154,775,849 | 175,873,109 | 265,623,539 |
| | Total Liabilities (B+C) | | 154,780,722 | 175,873,109 | 265,623,539 |
| | Total Equity and Liabilities (A+B+C) | | 652,937,229 | 598,502,633 | 563,211,062 |

Significant Accounting Policy
Disclosures and Additional informations

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22-32
For and on behalf of the Board

FOR ALOK PALOD & COMPANY
Chartered Accountants
FRN - 018061C

(RAMPAL INANI)
(MANAGING DIRECTOR)
(DIN-00480021)

(VINOD KUMAR INANI)
(DIRECTOR)
(DIN-02928272)

(ALOK PALOD)
Partner
M. NO. 417729

(SUSHEEL KUMAR INANI)
(CFO/DIRECTOR)
(DIN-02928254)
(PAN-AACPI5846C)

(Aditi Babel)
(COMPANY SECRETARY &
COMPLIANCE OFFICER)
(PAN-CQMPB1513K)

Place : Bhilwara
Date : 30.06.2021

| SHANKARLAL RAMPAL DYE CHEM LIMITED CIN: L24114RJ2005PLC021340 STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2021 | | | | |
|---|--|--------------------------------|--|--|
| | Particulars | Note No. | For the Year ended 31 st March 2021 | For the Year ended 31 st March 2020 |
| I | Revenue from Operations | 16 | 1,775,781,661 | 1,326,049,023 |
| II | Other Income | 17 | 1,144,191 | 3,124,556 |
| III | Total Income (I+II) | | 1,776,925,852 | 1,329,173,579 |
| IV | Expenses | | | |
| | Cost of Materials Consumed | | - | - |
| | Purchase of Stock in trade | | 1,622,611,239 | 1,156,408,929 |
| | Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade | 18 | (24,109,504) | 62,094,330 |
| | Employee Benefits Expense | 19 | 38,316,000 | 38,253,000 |
| | Finance Cost | 20 | 14,054,021 | 20,374,997 |
| | Depreciation & Amortisation Expense | 2 | 462,268 | 434,503 |
| | Other Expenses | 21 | 17,915,100 | 14,041,914 |
| | Total Expenses (IV) | | 1,669,249,124 | 1,291,607,672 |
| V | Profit before Exceptional Items & Tax | | 107,676,728 | 37,565,907 |
| VI | Exceptional Items | | - | - |
| VII | Profit/(Loss) Before Tax (V-VI) | | 107,676,728 | 37,565,907 |
| VIII | Tax Expenses | | | |
| | 1. Current Tax | | 31,326,380 | 10,596,751 |
| | 2. Earlier Year | | - | - |
| | 3. Deferred Tax | | 23,780 | 19,473 |
| IX | Profit/(Loss) for the period from continued operations After Tax (VII-VIII) | | 76,326,568 | 26,949,683 |
| X | Other Comprehensive Income | | | |
| | Items that will not be reclassified to profit or loss (Net of Tax) | | | |
| | Net Items that will not be reclassified to profit or loss (Net of Tax) | | - | - |
| | Items that will be reclassified to profit or loss (Net of Tax) | | | |
| | Net Items that will be reclassified to profit or loss (Net of Tax) | | - | - |
| | Total Other Comprehensive Income for the year, net of Income Tax | | - | - |
| XI | Total Comprehensive Income for the period (IX+X) | | - | - |
| XII | Earning per equity share | | | |
| | (1) Basic | | 7.16 | 4.44 |
| | (2) Diluted | | 7.16 | 4.44 |
| Significant Accounting Policy | | 1 | | |
| Disclosures and Additional informations | | 22-32 | | |
| In terms of our report of even date | | For and on behalf of the Board | | |
| FOR ALOK PALOD & COMPANY | | (RAMPAL INANI) | | (VINOD KUMAR INANI) |
| Chartered Accountants | | (MANAGING DIRECTOR) | | (DIRECTOR) |
| FRN - 018061C | | (DIN-00480021) | | (DIN-02928272) |
| (ALOK PALOD) | | (SUSHEEL KUMAR INANI) | | Aditi Babel |
| Partner | | (CFO/DIRECTOR) | | (COMPANY SECRETARY & |
| M. NO. 417729 | | (DIN-02928254) | | COMPLIANCE OFFICER) |
| Place : Bhilwara | | (PAN-AACPI5846C) | | (PAN-CQMPB1513K) |
| Date : 30.06.2021 | | | | |

SHANKARLAL RAMPAL DYE CHEM LIMITED
CIN: L24114RJ2005PLC021340
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

| Particulars | For the Year ended 31st March 2021 | For the Year ended 31 st March 2020 |
|--|---------------------------------------|---|
| (A) CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Net Profit Before Tax & Exceptional Items | 107,676,728 | 37,565,907 |
| Adjustments for :- | | |
| Depreciation | 462,268 | 434,503 |
| Interest Expenditure | 13,333,658 | 19,869,441 |
| Loss/ (Profit) on sale of Property, Plant & Equipment | 10,421 | (2,541) |
| Actuarial (loss)/gains on Defined Benefit Obligations | - | - |
| Operating Profit Before Working Capital Changes (1) | 121,483,076 | 57,867,310 |
| Adjustments for :- | | |
| Decrease/(Increase) Inventories | (24,109,504) | 62,094,330 |
| Decrease/ (Increase) Trade Receivables | 26,236,428 | (72,747,370) |
| Decrease/ (Increase) Other Current & Non Current Assets | (4,758,802) | (90,754,976) |
| Increase/(Decrease) Current & Non Current Liabilities | 13,444,734 | (898,672) |
| Total Adjustments (2) | 10,812,856 | (102,306,688) |
| Cash Generated from Operations (1-2) | 132,295,932 | (44,439,378) |
| Less : Taxes Paid | 31,326,380 | 10,596,751 |
| Net Cash Generated from Operating Activities (A) | 100,969,552 | (55,036,129) |
| (B) CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Property, Plant & Equipment | (333,863) | (2,903,767) |
| Capital WIP including Capital Advances | - | - |
| Sale of Property, Plant & Equipment | 21,000 | 96,249 |
| Net Cash Generated/(used) in Investing Activities (B) | (312,863) | (2,807,518) |
| (C) CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Proceeds from /(Repayment) of Short Term Borrowing (Net) | (34,541,994) | (88,851,758) |
| Proceeds from Issue of share capital | 26,652,800 | 19,980,000 |
| Proceeds from Issue of share premium | (26,652,800) | 79,920,000 |
| Proceeds from Long Term Borrowings | - | - |
| Repayment of Long Term Borrowings | - | - |
| Interest Paid | (13,333,658) | (19,869,441) |
| Dividend Paid | (799,585) | (1,807,682) |
| Tax on Dividend Paid | - | - |
| Net Cash Generated/(used) From Financing Activities (C) | (48,675,237) | (10,628,881) |
| Net Increase / (Decrease) in Cash & Cash Equivalent (A+B+C) | 51,981,452 | (68,472,528) |
| Opening Balance of Cash & Cash Equivalent | 56,499,784 | 124,972,312 |
| Closing Balance of Cash & Cash Equivalent | 108,481,236 | 56,499,784 |

Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and deposits with original maturity of upto three months.

Reconciliation of cash and cash equivalents: Cash and cash equivalents

Previous year figures have been regrouped/rearranged wherever considered necessary.

In terms of our report of even date

For and on behalf of the Board

FOR ALOK PALOD & COMPANY
Chartered Accountants
FRN - 018061C

(RAMPAL INANI)
(MANAGING DIRECTOR)
(DIN-00480021)

(VINOD KUMAR INANI)
(DIRECTOR)
(DIN-02928272)

(ALOK PALOD)
Partner
M. NO. 417729

(SUSHEEL KUMAR INANI)
(CFO/DIRECTOR)
(DIN-02928254)
(PAN-AACPI5846C)

Aditi Babel
(COMPANY SECRETARY &
COMPLIANCE OFFICER)
(PAN-CQMPB1513K)

Place : Bhilwara
Date : 30.06.2021

SHANKARLAL RAMPAL DYE CHEM LIMITED
CIN: L24114RJ2005PLC021340
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2021

| A. Equity Share Capital | | | | | | |
|--|----------------------------|--------------------|-----------------------|------------------|--|--------------|
| Particular | As At 31st March 2021 | | As At 31st March 2020 | | As At 1st April 2019 | |
| | In Rs. | Number | In Rs. | Number | In Rs. | Number |
| Equity Share Capital | | | | | | |
| Balance at the beginning of reporting period | 79958500 | 7995850 | 59978500 | 5997850 | 43778500 | 4377850 |
| Add: Shares issued during the year | 26652800 | 2665280 | 19980000 | 1998000 | 16200000 | 1620000 |
| Balance at the closing of reporting period | 106611300 | 10661130 | 79958500 | 7995850.00 | 59978500 | 5997850.00 |
| B. Other Equity | | | | | | |
| Particular | Reserves & Surplus | | | | Other Reserves | Total |
| | Capital Redemption Reserve | Securities Premium | General Reserve | Retained Earning | Effective Portion of Cash Flow Hedge Reserve | |
| Balance as at 1st April 2019 | - | 206732639 | - | 30876384 | - | 237609023 |
| Profit for the year ended on 31st March 2020 | | | | 26949683 | | 26949683 |
| Other Comprehensive Income/ (Expenses) (OCI) | | | | | | |
| (a) Remeasurement of Defined Benefit obligation (Net of Tax) | | | | - | | - |
| (b) Adjustment for Effective portion of Cash Flow Hedge (Net of Tax) | | | | | - | - |
| Dividends (Including Dividend Tax) | | | | -1807682 | | -1807682 |
| Security Premium | | 79920000 | | | | 79920000 |
| Transfer to General Reserve | | | | | | 0 |
| Balance as at 31st March 2020 | - | 286652639 | - | 56018385 | - | 342671024 |
| Profit for the year ended on 31st March 2021 | | | | 76326568 | | 76326568 |
| Other Comprehensive Income/ (Expenses) | | | | | | |
| (a) Remeasurement of Defined Benefit obligation (Net of Tax) | | | | - | | - |
| (b) Adjustment for Effective portion of Cash Flow Hedge (Net of Tax) | | | | | - | - |
| Dividends (Including Dividend Tax) | | | | -799585 | | -799585 |
| Security Premium | | (26,652,800) | | | | (26,652,800) |
| Transfer to General Reserve | | | | | | - |
| Balance as at 31st March 2021 | - | 259999839 | - | 131545368 | - | 391545207 |
| Significant Accounting Policy 1 | | | | | | |
| Disclosures and Additional informations 22-32 | | | | | | |
| In terms of our report of even date For and on behalf of the Board | | | | | | |
| FOR ALOK PALOD & COMPANY (RAMPAL INANI) (VINOD KUMAR INANI) | | | | | | |
| Chartered Accountants (MANAGING DIRECTOR) (DIRECTOR) | | | | | | |
| FRN - 018061C (DIN-00480021) (DIN-02928272) | | | | | | |
| (ALOK PALOD) | | | | | | |
| Partner | | | | | | |
| M. NO. 417729 (SUSHEEL KUMAR INANI) (Aditi Babel) | | | | | | |
| (CFO/DIRECTOR) (COMPANY SECRETARY & | | | | | | |
| Place : Bhilwara (DIN-02928254) COMPLIANCE OFFICER) | | | | | | |
| Date : 30.06.2021 (PAN-AACPI5846C) (PAN-CQMPB1513K) | | | | | | |

Note No. 1 - Company Information and Significant Accounting Policies

A. Corporate Overview

Shankarlal Rampal Dye Chem Limited(the “Company”), Incorporated on 19th September,2005, is a Company domiciled in India and limited by shares (CIN: L24114RJ2005PLC021340). The address of the Company’s Registered Office is S.G. 2730,Suwana, kota Road, Bhilwara-(Rajasthan 311001). The company is engaged in Trading in Dyes And Chemicals. The company is listed at Bombay Stock Exchange of India Limited.

B. Basis of Preparation

These Separate Financial Statements are prepared on Going Concern basis following Accrual basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent applicable), applicable provisions of the Companies Act, 1956.

1. Basis of Measurement/Use of Estimates

- (i) The Financial Statements are prepared on Accrual basis under the Historical Cost convention except certain Financial Assets and Liabilities (including Derivatives instruments) that are measured at fair value.

Historical Cost is generally based on the Fair Value of the consideration given in exchange for goods and services.

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.

- (ii) The preparation of Financial Statements requires judgments, estimates and assumptions that affect the reported amount of Assets and Liabilities, disclosure of Contingent Liabilities on the date of the Financial Statements and the reported amount of Revenues and Expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

2. Functional and Presentation Currency

These Financial Statements are presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR, except as stated otherwise.

3. Current and Non-Current classification

The Company presents Assets and Liabilities in the Balance Sheet based on Current/Non-Current classification.

An Asset is Current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or

- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-Current.

A Liability is Current when:

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

All other Liabilities are classified as Non-Current.

Deferred Tax Assets/Liabilities are classified as Non-Current.

C. Significant Accounting Policies

A summary of the significant Accounting Policies applied in the preparation of the Financial Statements are as given below. These Accounting Policies have been applied consistently to all periods presented in the Financial Statements.

1. Property, Plant & Equipment

1.1. Initial Recognition and Measurement

An item of Property, Plant and Equipment is recognized as an Asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at Cost less Accumulated Depreciation/Amortization and Accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized.

1.2. Subsequent Costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in Statement of Profit or Loss as and when incurred.

1.3. Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and Losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment, and are recognized in the Statement of Profit and Loss.

1.4. Depreciation

Assets are depreciated using straight line method over the estimated useful life of the asset as specified in Part "C" of Schedule II of Companies Act, 2013 except for Plant & Machinery, after retaining residual life of 5% of original cost. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets.

Depreciation on additions to/deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

2. Capital Work-in-Progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

3. Intangible Assets and Intangible Assets under Development

3.1. Initial recognition and measurement

An Intangible Asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

3.2. Subsequent Costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

3.3. Derecognition

An Intangible Asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and Losses on disposal of an item of Intangible Assets are determined by comparing the proceeds from disposal with the carrying amount of Intangible Assets and are recognized in the Statement of Profit and Loss.

3.4. Amortization

Intangible Assets having definite life is amortized on straight line method in their useful lives. Useful life of Computer Software is estimated at five years.

4. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, exploration, development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of:

(a) interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’,

(b) finance charges in respect of finance leases recognized in accordance with Ind AS 116 – ‘Leases’,

(c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and,

(d) other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to revenue as and when incurred.

5. Statement of Cash Flows

Cash Flow Statement has been prepared in accordance with the Indirect method prescribed in Ind AS 7 ‘Statement of Cash Flows’.

6. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Spare parts other than those capitalized as Property, Plant and Equipment are carried as inventory.

The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

7. Cash and Cash Equivalent

Cash and cash equivalent in the Balance Sheet comprises Cash at Banks, Cash on Hand and Short-Term Deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

8. Government Grants

Government grants are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. When the government grant relates to an asset, the asset is disclosed by deducting that grant in arriving at the carrying amount of that asset. Government grants that compensate the Company for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

9. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent Liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a Contingent Liability, unless the probability of outflow of economic benefits is remote. Contingent Liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent Assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

10. Foreign Currency Transactions and Translation

Transactions in foreign currencies are initially recorded at the functional currency rates at the date the transaction first qualifies for recognition.

Monetary Assets and Liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

11. Revenue Recognition

The Company derives revenues primarily from business of textiles. Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. Refer Note1 “Significant Accounting Policies,” in the Company’s 2018 Annual Report for the policies in effect for Revenue prior to April 1, 2018.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Ind AS 115 moves away from the “transfer of risk and rewards” approach and introduces a new “transfer of control” approach delivered through the new five-step model described as follows:

1. Identify the contract with a customer.
2. Identify the separate performance obligations in the contract.
3. Determine the transaction Price.
4. Allocate the transaction price to the separate performance obligations.
5. Recognize revenue when (or as) each performance obligation is satisfied.

At contract inception, an entity assesses the goods or services promised in a contract with a customer and identify each performance obligation promised to be transferred to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The company classifies the right to consideration in exchange for deliverables as either a receivable or as a contract asset. A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as contract asset and is classified as a financial asset for these cases a right to consideration is unconditional upon passage of time. This would result in the timing of revenue recognition being different from the time of billing the customers.

Company classifies amount received as advance from customers against sales as contract liability.

Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

11.1 Sale of Goods

Revenue from the sale of goods is recognised upon transfer of control of the goods have passed to the buyer, which generally coincides with dispatch. Revenue from export sales are recognised on shipment basis. Revenue from the sale of goods is measured at an amount that reflects the consideration we expect to receive in exchange for those products (i.e. the transaction price). The Company presents revenues net of indirect taxes, returns and allowances, trade discounts and volume rebates in its Statement of Profit and Loss. Inter-divisional sales comprising of sale of power for captive consumption is reduced from gross turnover in arriving Net Turnover.

11.2 Rendering of services

Revenue from Job work services is recognised based on the services rendered in accordance with the terms of contracts.

11.3 Other Export Benefit

Export benefits are accounted for in the year of export at net market realizable value.

11.4 Other Income

Revenue from transactions or events that do not arise from a contract with a customer not in the scope of Ind AS 115 are continue to be recognized in accordance with the other standards. Such Income includes Interest and Dividend income which are dealt with in Ind AS 109 and Rental income to be accounted as per Ind AS 116.

11.5 Interest Income

For all financial instruments measured at amortized cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

11.6 Dividend

Dividend Income is recognized when the company's right to receive is established which generally occurs when the shareholders approve the dividend.

11.7 Income other than Interest and Dividend

Other income is recognized in the Statement of Profit and Loss when increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

12. Employee Benefits

12.1. Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are booked as an expense as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

12.2. Post-Employment Benefits

Employee Benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:

12.2.1. Defined Contribution Plans

Defined contribution Plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Family Pension Funds are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation.

12.2.2. Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses in respect of gratuity are recognized in OCI in the period in which they arise.

12.3 Other Long-Term Employee Benefits

Benefits under the Company's Leave Encashment Scheme constitute other long-term employee benefits. The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

13. Income Taxes

Income Tax Expense comprises Current and Deferred Tax. Current Tax Expense is recognized in Statement of Profit and Loss A/c except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which it is recognized in OCI or Equity.

Current Tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current Income Taxes are

recognized under 'Income Tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred Tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred Tax Assets and Liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle Current Tax Liabilities and Assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred Tax is recognized in Statement of Profit and Loss except to the extent that it relates to items recognized directly in OCI or Equity, in which case it is recognized in OCI or Equity.

A Deferred Tax Asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

Additional Income Taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

14. Leases:

14.1 Recognition:

The Company as a Lessee

The Company's Lease Asset classes primarily consist of Leases for Land and Buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

14.2 Accounting for

14.2.1 Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense over the lease term.

14.2.2 Finance Lease

Leases of Property, Plant and Equipment where the Company, as lessee has substantially all risks and rewards of ownership are classified as finance lease. On initial recognition, assets held under finance leases are recorded as Property, Plant and Equipment and the related liability is recognized under borrowings. At inception of the lease, finance leases are recorded at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

15. Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount (higher of its fair value less costs to disposal or its value in use) is estimated.

An impairment loss is recognized if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount which

is only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Dividends

Dividends and Interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

16. Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

17. Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

18. Financial Instruments

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

a. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Impairment of Financial Assets

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

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, the credit quality of the instrument improves then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

In respect of Trade receivables or any financial asset that result from transactions that are within the scope of Ind AS 115, company follows 'simplified approach' for recognition of impairment loss allowance within the scope of Ind AS 115, if they do not contain a significant financing component. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b. Financial Liabilities

Initial recognition and measurement

All Financial Liabilities are recognized at fair value and in case of loans, net of directly attributable transaction cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

Subsequent Measurement

Financial Liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value of the instrument.

Derecognition

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

c. Derivative Financial Instruments

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value on the reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to cash flow hedge reserve through Statement of Other Comprehensive Income.

These are accounted for as follows:

a)Cash flow hedge

When derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

b)Fair Value Hedge

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to Statement of Profit and Loss over the period of maturity.

19. CSR Expenditure

Amount spent on CSR activities during the year is charged to Statement of Profit & Loss, if the same is of revenue nature. If the expenditure is of such nature, which may give rise to a

capital asset, the same is recognized in the Balance Sheet as “CSR Assets” under respective head of Property, Plant & Equipment.

D. Major Estimates made in preparing Financial Statements:

1. Useful life of Property, Plant and Equipment and Intangible Assets

The estimated useful life of Property, Plant and Equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery (except Laboratory Equipments, Fire Fighting Equipments and Tools & Equipments) are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

Intangible assets are being amortized on straight line basis over the period of five years.

2. Post-Employment Benefit Plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

3. Provisions and Contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, ‘Provisions, Contingent Liabilities and Contingent Assets’. The evaluation of the likelihood of the contingent events requires best judgment by management regarding the probability of exposure to potential loss. In case of change in the circumstances the following unforeseeable developments, the likelihood could alter.

4. Estimation of uncertainties relating to the Global Health Pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, and inventory. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these financial statements.

Note 2 : Property, Plant and Equipment

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | | |
|--------------------------------|----------------------|---------------|---------------|-----------------------|----------------------|---------------|---------------|-------------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2020 | Addition | Deduction | As at 31st March 2021 | As at 1st April 2020 | For the year | Deduction | Ind As Adjustment | As at 31st March 2021 | As at 31st March 2021 | As at 31st March 2020 |
| Tangible Assets | | | | | | | | | | | |
| Office Equipments and Computer | 873079 | 147119 | - | 1020197 | 752601.79 | 117519 | - | - | 870121 | 150076 | 120477 |
| Vehicle | 4000336 | - | 628425 | 3371911 | 1217769 | 328504 | 597004 | - | 949269 | 2422642 | 2782567 |
| Land | 2743575 | - | - | 2743575 | - | - | - | - | - | 2743575 | 2743575 |
| Building | 437800 | 186744 | - | 624544 | 25739 | 16246 | - | - | 41985 | 582559 | 412061 |
| Total | 8054790 | 333863 | 628425 | 7760227 | 1996110 | 462268 | 597004 | - | 1861375 | 5898852 | 6058679 |
| Previous Year | 5508911 | 282854 | - | 5791765 | 1712602 | 396039 | - | - | 2108641 | 3683124 | 3796309 |

2.1 All Property, Plant and Equipments mentioned above having net block of ` 5898869 /- (Previous Year - ` 6058679/-).

Note 3 : Other Non Current assets

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|-------------------|-----------------------|-----------------------|----------------------|
| Security Deposits | 50,000 | 420,000 | 879,000 |
| Total | 50,000 | 420,000 | 879,000 |

Current Assets**Note 4 : Inventories**

(At cost or realisable value, whichever is lower)

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|-----------------|-----------------------|-----------------------|----------------------|
| Dye & chemicals | 65,781,221 | 41,671,717 | 103,766,047 |
| Total | 65,781,221 | 41,671,717 | 103,766,047 |

Note 5 : Current Financial Assets - Trade Receivable

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|--|-----------------------|-----------------------|----------------------|
| Secured | | | |
| Considered Good | - | - | - |
| Unsecured | | | |
| Considered Good | 315,336,901 | 341,573,329 | 268,825,959 |
| Considered Doubtful | - | - | - |
| Less : - Impairment Allowance for Doubtful debts | - | - | - |
| Net | - | - | - |
| Total | 315,336,901 | 341,573,329 | 268,825,959 |

Note 5.1 Ageing and other information has been depicted in Note no. 28

Note 6 : Current Financial Assets - Cash and Cash Equivalents

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|-------------------------|-----------------------|-----------------------|----------------------|
| Cash in Hand | 848,192 | 778,267 | 675,236 |
| Balance with Banks in : | | | |
| Current Accounts | 107,633,044 | 25,821,517 | 121,297,075 |
| | | | |
| Total | 108,481,236 | 26,599,784 | 121,972,311 |

Note 6A : Current Financial Assets - Bank Balances other than Cash and Cash Equivalents

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|---------------|-----------------------|-----------------------|----------------------|
| Fixed Deposit | - | 29,900,000 | 3,000,000 |
| Total | - | 29,900,000 | 3,000,000 |

- 1) Fixed Deposits are maturing with in 12 months.
2) Deposits with banks pledged with banks against guarantees

Note 7: Current Tax Assets

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|--------------------------|-----------------------|-----------------------|----------------------|
| Advance Income Tax (Net) | - | 2,040,995 | 4,273,501 |
| Total | - | 2,040,995 | 4,273,501 |

Note 8 : Other Current Assets

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|---------------------------------|-----------------------|-----------------------|----------------------|
| (Un secured, Considered Good) | | | |
| Advances to Suppliers | 154,447,271 | 145,663,606 | 48,196,834 |
| Prepaid Expenses | 82,749 | 28,952 | 199,509 |
| Income Tax Refundable | 2,040,995 | 4,273,501 | 1,255,473 |
| GST Credit Receivables | - | - | 6,867,049 |
| Other Receivable | 818,004 | 253,163 | 253,875 |
| Total | 157,389,019 | 150,219,222 | 56,772,740 |

* Other receivable includes amount of Interest and Custom duty Recievable etc.

Equity & Liabilities**Equity****Note 9 : Share Capital**

| Particular | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|---|-----------------------|-----------------------|----------------------|
| Authorised : | | | |
| 11000000 Equity Shares of Rs. 10/-each | 110,000,000 | 80,000,000 | 65,000,000 |
| | | | |
| Total | 110,000,000 | 80,000,000 | 65,000,000 |
| Issued, Subscribed & Fully Paid up : | | | |
| 10661130 Equity Shares of Rs. 10/-each | 106,611,300 | 79,958,500 | 59,978,500 |
| | | | |
| Total | 106,611,300 | 79,958,500 | 59,978,500 |

a. Details of Shareholders holding more than 5% Shares are as under :

| Name of Shareholders | No. of Shares (% of Holding) | No. of Shares (% of Holding) | No. of Shares (% of Holding) |
|---|------------------------------|------------------------------|------------------------------|
| OASIS CAPITAL PRIVATE LIMITED | 1145460 (10.74%) | 859095 (10.74%) | 859095 (14.32%) |
| CLASSIC PRIME HOME CARE PRIVATE LIMITED | 871600 (8.18%) | 653700 (8.18%) | 653700 (10.90%) |
| DINESH CHANDRA INANI | 534667 (5.02%) | 401000 (5.02%) | - |
| SUSHEEL KUMAR INANI | 707327 (6.63%) | 530495 (6.63%) | 392495 (6.54%) |
| VINOD KUMAR INANI | 638533 (5.99%) | 478900 (5.99%) | 394900 (6.58%) |
| JAGDISH CHANDRA INANI | 613613 (5.76%) | 460210 (5.76%) | 334210 (5.57%) |

b. Reconciliation of the number of Shares outstanding is set out below :

| Particulars | No. of Shares | No. of Shares | No. of Shares |
|--|---------------|---------------|---------------|
| Equity Shares at the beginning of the year | 7,995,850 | 5,997,850 | 4,377,850 |
| Add : Shares issued during the year | 2,665,280 | 1,998,000 | 1,620,000 |
| Equity Shares at the end of the year | 10,661,130 | 7,995,850 | 5,997,850 |

c. The company has not issued, any Shares pursuant to contract without payment being received in Cash, Bonus Shares and has not bought back any Shares

d. Terms and Rights attached to Equity Shares:

The company has only one class of Equity Shares having a par value of `10/- per share. The holders of the equity shares are entitled to dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

Note 10 : Other Equity

| Particular | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|-----------------------------------|-----------------------|-----------------------|----------------------|
| A. Securities Premium | | | |
| Opening Balance | 286,652,639 | 206,732,639 | 150,032,639 |
| Additions during the year | (26,652,800) | 79,920,000 | 56,700,000 |
| Deductions during the year | - | - | - |
| Net Balance | 259,999,839 | 286,652,639 | 206,732,639 |
| B. Retained Earnings | | | |
| Opening Balance | 56,018,385 | 30,876,384 | 15,877,405 |
| Add : Profit for the year | 76,326,568 | 26,949,683 | 14,998,979 |
| Less : Allocation / Appropriation | | | |
| Dividend Paid | 799,585 | 1,807,682 | - |
| Tax on Dividend Paid | - | - | - |
| Transfer to General Reserve | - | - | - |
| Actuarial loss/(gain) | - | - | - |
| Sub Total | 799,585 | 1,807,682 | - |
| Net Balance | 131,545,368 | 56,018,385 | 30,876,384 |
| Total | 391,545,207 | 342,671,024 | 237,609,023 |

Note 11 : Deferred Tax Liability

| Particular | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|---|-----------------------|-----------------------|----------------------|
| A. Deferred Tax Liability | | | |
| - Depreciation | 4,873 | 18,907 | 38,379 |
| - Deferred Transaction Cost | - | - | - |
| | 4,873 | 18,907 | 38,379 |
| B. Deferred Tax Assets | | | |
| - Employee Benefits Expenses | - | - | - |
| - Unabsorbed Depreciation | - | - | - |
| | - | - | - |
| Net Liability during the year | 4,873 | 18,907 | 38,379 |
| Less : Adjust from MAT Credit Entitlement | - | - | - |
| Add : Deferred Tax related to OCI | - | - | - |
| | | | |
| C. Deferred Tax Liability (Net) | 4,873 | 18,907 | 38,379 |

Note 11.1 Further information has been disclosed in Note No. 23

Note 12 : Current Financial Liabilities - Borrowings

| Particular | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|---|-----------------------|-----------------------|----------------------|
| Working Capital Loan from Banks (Secured) | 8,981,914 | 9,218,615 | 55,931,469 |
| From Directors and Relatives | 78,819,336 | 100,515,609 | 130,236,323 |
| Loan from Corporates (Unsecured) | 37,212,240 | 49,821,260 | 62,239,450 |
| Total | 125,013,490 | 159,555,484 | 248,407,242 |

12.1 Security

1) Working capital Loan from ICICI Bank is secured by Hypothecation of stock, Consisting of all types of dyes,chemical & other Current Assets of company and is guranteed by Mr. Rampal Inani and Mr. Dinesh Chandra Inani in their personal capacity.

2) Working Capital Loan from AXIS Bank is guranteed by Mr. Rampal Inani, Mr. Dinesh Chandra Inani, Mr. Shusheel Kumar Inani, Mr. Jagdish Chandra Inani, Mr. Vinod Kumar Inani, Mrs. Meena Inani, Mrs. Kiran Inani in their personal capacity.

12.2 Terms of Repayment

Working Capital Loans and Loans From Corporates are repayable on Demand.

Note 13 : Current Financial Liabilities - Trade Payable

| Particular | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|----------------------------------|-----------------------|-----------------------|----------------------|
| For Goods Purchased | | | |
| Due to Micro & Small Enterprises | - | 132,463 | 69,986 |
| Due to Other | 11,143,059 | 7,848,646 | 293,376 |
| For Services & Others | | | |
| Due to Micro & Small Enterprises | 184,950 | 633,013 | 1,223,420 |
| Due to Other | 3,341,111 | 3,700,374 | 15,068,766 |
| Total | 14,669,120 | 12,314,496 | 16,655,548 |

Note 13.1 : Disclosure related to Micro, Small & Medium Enterprises

A. Trade Payables include Principal amount 184950/- (Previous Year 765476/-) and Interest amount Rs. Nil (Previous Year Rs. Nil) due to Micro, Small & Medium Enterprises as at 31st March 2021. The figures have been disclosed on the basis of informations received from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and/or based on the information available with the company. Further, no interest during the year has been paid or payable under the provisions of the MSMED Act, 2006.

B. No Interest has been paid under section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.

C. No Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006

D. No Interest accrued and remaining unpaid at the end of each accountig year

E. No further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2016

Note 14 : Other Current Liabilities

| Particular | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|-------------------------|-----------------------|-----------------------|----------------------|
| Advances From Customers | - | - | - |
| Statutory Dues | 4,544,169 | 4,003,129 | 560,749 |
| Security Deposits | - | - | - |
| Total | 4,544,169 | 4,003,129 | 560,749 |

Note 15 : Current Tax Liabilities

| Particular | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|-------------------------|-----------------------|-----------------------|----------------------|
| Provision for Tax (Net) | 10,549,070 | - | - |
| Total | 10,549,070 | - | - |

| | | |
|---|---|---|
| <u>Note 16 : Revenue from Operations</u> | | |
| | - | - |
| Particular | For the Year ended 31st March 2021 | For the Year ended 31st March 2020 |
| Sales | | |
| Dyes & Chemicals | 1,759,201,395 | 1,319,362,423 |
| Commission Income | 16,520,470 | 6,686,600 |
| Foreign exchange gain | 59796.00 | - |
| Total | 1,775,781,661 | 1,326,049,023 |
| <u>Note 17 : Other Income</u> | | |
| | - | - |
| Particular | For the Year ended 31st March 2021 | For the Year ended 31st March 2020 |
| Interest Received | 1,144,191 | 3,122,015 |
| Profit on Sale of PPE | - | 2,541 |
| Miscellaneous Income | - | - |
| Total | 1,144,191 | 3,124,556 |
| <u>Note 18 : Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade</u> | | |
| | - | - |
| Particular | For the Year ended 31st March 2021 | For the Year ended 31st March 2020 |
| Stock at Closing | | |
| Traded Goods | 65,781,221 | 41,671,717 |
| Total | 65,781,221 | 41,671,717 |
| Stock at Opening | | |
| Traded Goods | 41,671,717 | 103,766,047 |
| Total | 41,671,717 | 103,766,047 |
| (Increase)/Decrease in Stocks | (24,109,504) | 62,094,330 |
| Net (Increase)/Decrease in Stocks | (24,109,504) | 62,094,330 |

| | | |
|---|---|---|
| <u>Note 19 : Employee Benefits Expense</u> | | |
| - | - | - |
| Particular | For the Year ended 31st March 2021 | For the Year ended 31st March 2020 |
| Salary/Wages/Allowances etc. | 38,316,000 | 38,253,000 |
| Total | 38,316,000 | 38,253,000 |
| <u>Note 20 : Finance Cost</u> | | |
| - | - | - |
| Particular | For the Year ended 31st March 2021 | For the Year ended 31st March 2020 |
| Interest Expenses | | |
| On Term Loans | - | - |
| On Others | 13,333,658 | 19,869,441 |
| | 13,333,658 | 19,869,441 |
| Other Borrowing Costs | 720,363 | 505,556 |
| Total | 14,054,021 | 20,374,997 |

| Note 21 : Other Expense | | |
|--|---|---|
| Particular | For the Year ended 31st March 2021 | For the Year ended 31st March 2020 |
| (a) Manufacturing Expenses | | |
| Sample testing Exp. | 56,150 | 49,270 |
| Packing Expenses | 13,022 | - |
| Total (a) | 69,172 | 49,270 |
| | | |
| (b) Administrative and Other Expenses | | |
| Rent | 2,776,324 | 2,879,603 |
| Printing & Stationary | 22,099 | 50,995 |
| Postage & Communication | 107,487 | 77,100 |
| Director's Sitting Fee | 15,500 | 41,500 |
| Custom Fine Penalty | - | 500,000 |
| Rates and Taxes | 799,866 | 944,001 |
| Travelling Expenses | 112,735 | 455,110 |
| Vehicle & Conveyance | 252,086 | 169,461 |
| Charity & Donation | - | 100,000 |
| Loss on foreign Exchange fluctuation | | 28,264 |
| Loss on Sale of PPE | 10,421 | |
| Legal & Professional | 311,100 | 530,402 |
| Insurance Charges | 133,794 | 171,217 |
| Payment to Auditors | - | - |
| Audit Fees | 100,000 | 100,000 |
| Advertisement | 78,867 | 17,286 |
| Sales Tax Demand | 53,070 | - |
| Baddebts Written Off | 400,113 | - |
| Miscellaneous Expenses | 244,102 | 396,831 |
| Total (b) | 5,417,565 | 6,461,770 |
| | | |
| (c) Selling and Distribution Expenses | | |
| Sales Promotion Expenses | - | 6,000 |
| Sales Commission | 9,438,002 | 6,745,737 |
| Freight & Forwarding | 2,990,361 | 779,137 |
| Total (c) | 12,428,363 | 7,530,874 |
| Total (a to c) | 17,915,100 | 14,041,914 |

Disclosures and Additional Informations**Note 22 – Disclosure as per Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"****1 Contingent Liabilities not provided for:**

| Sr. No. | Particulars | Current Year | Previous Year | Opening |
|----------------|--|---------------------|----------------------|----------------|
| a. | Disputed Liabilities not acknowledged as debts - Cenvat, Vat, Service Tax and Custom Duty | - | - | - |
| b. | Guarantees - Outstanding Bank Guarantees | - | - | - |
| c. | Other money for which the company is contingently liable -Bills negotiated with Banks (against goods sold) | - | - | - |

Note 23 - Disclosure as per Ind AS 12 "Income Taxes"**(a) Reconciliation of Tax Expense and the accounting profit multiplied by India's Tax Rate:**

| Particulars | For the Year Ended 31st March 2021 | For the Year Ended 31st March 2020 | As On 1st April 2019 |
|--|---|---|-------------------------------------|
| Accounting Profit Before Tax | 107,676,728 | 37,565,907 | 20,705,411 |
| Tax using Company's Domestic Tax Rate for respective year | 31,326,380 | 10,596,751 | 5,728,913 |
| Effect of Non-Deductible Expenses | - | - | - |
| Effect of Depreciation | 23,780 | 19,473 | (22,481) |
| Effect of Changes in Tax Rate | - | - | - |
| Tax in respect of Earlier Years | - | - | - |

| | | | |
|---|---|---|-------------------------------------|
| Tax as per Statement of Profit & Loss | 31,350,160 | 10,616,223 | 5,706,432 |
| (b) Income Tax Expense | | | |
| i. Income Tax recognized in Statement of Profit and Loss | | | |
| Particulars | For the Year Ended 31st March 2021 | For the Year Ended 31st March 2020 | As On 1st April 2019 |
| [A] Current Tax expense: | | | |
| Current Year (Net of MAT Credit) | 31,326,380 | 10,596,751 | 5,728,913 |
| Adjustment for Earlier Years | - | - | - |
| Total [A] | 31,326,380 | 10,596,751 | 5,728,913 |
| [B] Deferred Tax Expense | | | |
| Origination and Reversal of Temporary Differences | 23,780 | 19,473 | (22,481) |
| Total [B] | 23,780 | 19,473 | (22,481) |
| Total Income Tax [A+B] | 31,350,160 | 10,616,223 | 5,706,432 |

| ii. Income Tax recognized in Other Comprehensive Income | | | | | | | | | |
|---|------------------------------------|--------------|------------|------------------------------------|--------------|------------|----------------------|--------------|------------|
| Particulars | For the Year Ended 31st March 2021 | | | For the Year Ended 31st March 2020 | | | As On 1st April 2019 | | |
| | Before Tax | Tax Expenses | Net of Tax | Before Tax | Tax Expenses | Net of Tax | Before Tax | Tax Expenses | Net of Tax |
| Net Actuarial Gain/ (Losses) on Defined Benefit Plans | - | - | - | - | - | - | - | - | - |

| Particulars | As at 1st April 2020 | Recognised in P&L A/c | As at 31st March 2021 |
|---|----------------------|-----------------------|-----------------------|
| (A) Deferred Tax Assets | | | |
| -Employee benefit expenses | - | - | - |
| - Unabsorbed Depreciation | - | - | - |
| Total (A) | - | - | - |
| (B) Deferred Tax Liability | | | |
| - Impact of Temporary Difference in Depreciation | 18,907 | 23,780 | 4,873 |
| - Amortised Value of Financial Assets | - | - | - |
| Total (B) | 18,907 | 23,780 | 4,873 |
| Net Deferred Tax Liability (B-A) | 18,907 | 23,780 | 4,873 |
| Add: Deferred Tax Related to OCI | - | - | - |
| | 18,907 | 23,780 | 4,873 |
| Less: Liability net off through MAT Credit Entitlement | - | - | - |
| Net Deferred Tax Liability | 18,907 | 23,780 | 4,873 |

(d) MAT Credit Available to the company in future:

| Financial Years | As at 31st March 2021 | Available Till |
|-----------------|-----------------------|----------------|
| F.Y. 2013-14 | - | - |
| F.Y. 2014-15 | - | - |
| F.Y. 2015-16 | - | - |
| F.Y. 2016-17 | - | - |
| F.Y. 2019-20 | - | - |
| F.Y. 2020-21 | - | - |
| Total | - | - |

(e) Reconciliation of Deferred Tax Liabilities (Net)

| Particulars | 2020-21 | 2019-20 | 2018-19 |
|--|-----------------|-----------------|-----------------|
| Deferred tax liability at the beginning of the year | (18,907) | (38,379) | (15,898) |
| Deferred tax (Income)/ Expenses during the year recognised in the Statement of Profit and Loss | 23,780 | 19,473 | (22,481) |
| Deferred tax (Income)/ Expenses during the year recognised in Other Comprehensive Income | - | - | - |
| Liability Nett off through MAT Credit Entitlement | - | - | - |
| Deferred tax liability at the end of the year | 4,873 | (18,907) | (38,379) |

Note 24 - Disclosure as per Ind AS 23 "Borrowing Cost"

| Particulars | 2020-21 | 2019-20 | 2018-19 |
|--------------------------------------|---------|---------|---------|
| Amount of Borrowing Cost Capitalized | - | - | - |
| Capitalization Rate | - | - | - |

Note No.25 - Disclosure as per Ind AS 24 "Related Party Disclosures"**1. List of Related Parties with whom Transactions have taken place:-****(a) Key Management Personnel:-**

| Name of Person | Relationship |
|---------------------------|---|
| Sh. Rampal Inani | Managing Director |
| Sh. Jagdish Chandra Inani | Whole Time Director |
| Sh. Dinesh Chandra Inani | Whole Time Director |
| Sh. Vinod Kumar Inani | Whole Time Director |
| Sh.Susheel Kumar Inani | Whole Time Director-C.F.O |
| Anil Kumar Kabra | Independent Director & Audit Committee Chairman |
| Apoorva Maheshwari | Independent / Woman Director |
| Harsh Kabra | Independent Director |
| Aditya Soni | Independent Director |
| Murli Atal | Independent Director & Chairman Nomination & Remuneration Committee |
| Aditi Babel | Company Secretary & Compliance Officer |

(b) Relatives:-

| Name of Person | Relationship |
|-----------------------|---------------------|
| Rahul Inani | Director Son |
| Chhavi Inani | Director Daughter |
| Ganga Devi Inani | Director Mother |
| Usha Inani | Director Wife |
| Mamta Inani | Director Wife |
| Meena Inani | Director Wife |
| Kiran Inani | Director Wife |
| Sheelu Inani | Director Wife |
| Ayushi Inani | Director Son's Wife |

(c) Related Companies:-

| Name of Company | Relationship |
|-------------------------|------------------------|
| Inani Chemicals | Proprietor is Director |
| Oasis Capital Pvt. Ltd. | Director is Wife |

(d) Independent Director

| Name of Person | Relationship |
|--------------------|----------------------|
| Anil Kumar Kabra | Independent Director |
| Apoorva Maheshwari | Independent Director |
| Harsh Kabra | Independent Director |
| Aditya Soni | Independent Director |
| Murli Atal | Independent Director |

2. Details of Transactions with related parties:-

| S. No. | Nature of Transactions | For the Year Ended 31st March 2021 | For the Year Ended 31st March 2020 | As On 1st April 2019 |
|----------|--|--|--|-------------------------|
| 1 | Rent Payment | | | |
| | Ganga Devi Inani | 960,000 | 960,000 | 960,000 |
| 2 | Remuneration to Key Managerial Person | | | |
| | Sh. Rampal Inani | 4,200,000 | 4,200,000 | 3,383,000 |
| | Sh. Jagdish Chandra Inani | 4,200,000 | 4,200,000 | 3,480,000 |
| | Sh. Dinesh Chandra Inani | 4,200,000 | 4,200,000 | 3,218,000 |
| | Sh. Vinod Kumar Inani | 4,200,000 | 4,200,000 | 3,218,000 |
| | Sh.Susheel Kumar Inani | 4,200,000 | 4,200,000 | 3,218,000 |
| 3 | Interest Payment on Unsecured Loans | | | |
| | Sh. Rampal Inani | 662,528 | 936,314 | 777,200 |
| | Sh. Jagdish Chandra Inani | 159,362 | 697,979 | 424,860 |
| | Sh. Dinesh Chandra Inani | 737,902 | 1,280,782 | 434,800 |
| | Sh. Vinod Kumar Inani | 1,034,305 | 1,531,239 | 298,100 |
| | Sh.Susheel Kumar Inani | 251,651 | 1,070,968 | 1,152,100 |
| | Rahul Inani | 1,195,866 | 1,223,528 | 851,600 |
| | Chhavi Inani | 402,552 | 426,038 | 489,300 |
| | Ganga Devi Inani | 473,871 | 784,929 | 938,080 |
| | Usha Inani | 740,623 | 845,619 | 681,200 |
| | Mamta Inani | 68,388 | 494,873 | 797,580 |
| | Meena Inani | 126,534 | 169,125 | 179,000 |
| | Ayushi Inani | 580,844 | 641,335 | - |
| | Kiran Inani | 165,777 | 584,461 | 1,252,100 |
| | Sheelu Inani | 946,010 | 1,315,184 | 1,121,400 |
| | Oasis Capital Pvt Ltd | 3,162,529 | 5,363,000 | 1,664,500 |
| | Shankar lal Inani HUF | - | - | 180,300 |
| | Rampal Inani HUF | - | - | 703,000 |
| | Vinod Kumar Inani HUF | - | - | 1,521,300 |
| | Jagdish Chandra Inani HUF | - | - | 857,150 |
| | Susheel Kumar Inani HUF | - | - | 128,500 |
| | Classic Prime Home care PVT. LTD. | - | - | 321,000 |
| | Dinesh chandra inani HUF | - | - | 1,066,600 |

| | | | | |
|---|--|-----------|-----------|------------|
| 4 | Salary | - | - | - |
| | Rahul Inani | 2,880,000 | 2,880,000 | 2,400,000 |
| | Usha Inani | 2,700,000 | 2,700,000 | 2,400,000 |
| | Mamta Inani | 2,700,000 | 2,700,000 | 2,400,000 |
| | Meena Inani | 2,700,000 | 2,700,000 | 2,280,000 |
| | Kiran Inani | 2,700,000 | 2,700,000 | 2,280,000 |
| | Sheelu Inani | 2,700,000 | 2,700,000 | 2,280,000 |
| 5 | Purchase | | | |
| | Inani Chemicals | 1,768,938 | 187,043 | 1,096,338 |
| | Oasis Capital Pvt Ltd | - | - | 1,764,992 |
| 6 | Brokerage and Commission | | | |
| | Oasis Capital Pvt Ltd | - | 5,089,104 | 13,036,640 |
| | Classic Prime Home care PVT. LTD. | - | - | 312,700 |
| 7 | Sitting Fees Paid to Independent Director | | | |
| | Anil Kumar Kabra | 4,500 | 6,000 | 2,500 |
| | Apoorva Maheshwari | 2,500 | 4,000 | 2,500 |
| | Harsh Kabra | 3,000 | 3,500 | 2,500 |
| | Aditya Soni | 2,500 | 1,500 | - |
| | Himanshu Jain | - | 1,500 | 2,500 |
| | Murli Atal | 3,000 | 5,000 | 2,500 |

Note 26- Disclosure as per Ind AS 33 "Earning Per Share (EPS)"

i) Basic and Diluted Earnings Per Share (in Rs.)

| S. No. | Particulars | For the Year Ended 31st March 2021 | For the Year Ended 31st March 2020 | As On 1st April 2019 |
|--------|--|--|--|-------------------------|
| a) | Net Profit available to Equity Shareholders | 76,326,568 | 26,949,683 | 14,998,979 |
| b) | Weighted Average Number of Equity Shares of Rs.10 each outstanding during the year (In lacs) | 10,661,130 | 6,074,276 | 5,997,850 |
| c) | Basic/Diluted Earning per share (In Rs.) | 7.16 | 4.44 | 2.50 |
| d) | Face Value of each Equity Share (In Rs.) | 10 | 10 | 10 |

ii) Weighted Average Number of Equity Shares

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As On 1st April 2019 |
|---|--------------------------|--------------------------|-------------------------|
| Opening Balance of issued Equity Shares | 7,995,850 | 5,997,850 | 4,377,850 |
| Effect of Shares issued during the year | 2,665,280 | 1,998,000 | 1,620,000 |
| Weighted Average No. of Equity Shares Rs.10 each | 10,661,130 | 7,995,850 | 5,997,850 |

Note No.27 - Dividend on Equity Shares

| Particulars | Year 2020-21 | Year 2019-20 | Year 2018-19 |
|---|----------------|------------------|--------------|
| (i) Dividend Declared and paid during the year | 799,585 | 1,807,682 | - |
| Dividend Distribution Tax on Final Dividend | - | - | - |
| Total | 799,585 | 1,807,682 | - |

(ii) Dividend not recognised at the end of reporting period

In addition to the above dividends, at the year end the company's Board of Directors have proposed the payment of final dividend of Rs. 0.10 per fully paid Equity Share. This proposed dividend is subject to the approval of the shareholders in Annual General Meeting. The total outgo towards the same will be Rs. 0.10

Note No.28 - Disclosure as per Ind AS 107 "Financial instrument disclosure"**i.Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital using a gearing ratio, which is calculated by dividing Net Debt from the Equity. The Company includes within Net Debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance) and under Equity, the Equity Share Capital plus other Equity (excluding Preference Share Capital) is considered.

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|---------------------------------|-----------------------|-----------------------|----------------------|
| Gross Debt | 125,013,490 | 159,555,484 | 248,407,242 |
| Less: Cash and Cash Equivalents | (108,481,236) | (26,599,784) | (121,972,311) |
| Net Debt (A) | 16,532,254 | 132,955,701 | 126,434,931 |
| Total Equity (B) | 498,156,507 | 422,629,524 | 297,587,523 |
| Gearing Ratio (A/B) | 0.03 | 0.31 | 0.42 |

i.Financial Risk Management

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board.

Company is exposed to following risk from the use of its financial instrument:

- Credit Risk
- Liquidity Risk
- Market Risk

(a) Credit Risk

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categories a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Provision for Expected Credit or Loss**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses:**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognized.

(b) Financial assets for which loss allowance is measured using life time expected credit losses:

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

Ageing of Trade Receivables

| Ageing | Not Due | 0-180 days past due | 181-365 days past due | 1-2 years past due | 2-5 years past due | Total |
|---|---------|---------------------|-----------------------|--------------------|--------------------|-------------|
| Gross Carrying amount as on 31.03.2021 | - | 314,514,658 | 822,243 | - | - | 315,336,901 |
| Impairment loss recognized in 2020-21 | - | - | - | - | - | - |
| Gross Carrying amount as on 31.03.2020 | - | 341,573,329 | - | - | - | 341,573,329 |
| Impairment loss recognized in 2019-20 | - | - | - | - | - | - |
| Gross Carrying amount as on 01.01.19 | - | 268,754,119 | 71,840 | - | - | 268,825,959 |
| Impairment loss recognized in 2018-19 | - | - | - | - | - | - |

Hedge Accounting Disclosures

The Cash Flow hedging reserve represents the cumulative effective portion of gains or losses arising on charges in fair value of designated portion of hedging instruments entered into cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognized and accumulated under the heading of cash flow reserve will be reclassified to statement of profit and loss only when the hedged transaction affects the profit or loss or included as a basic adjustment to the non financial hedged item.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

As on 31.03.2021

| Contractual Maturities of Financial Liabilities | Contractual cash flows | | | | | Total |
|---|------------------------|-------------|-----------|-----------|-------------------|-------------------|
| | 3 Months or less | 3-12 Months | 1-2 Years | 2-5 Years | More than 5 Years | |
| Term Loans from Banks* | - | - | - | - | - | - |
| Term loans from Bank (Vehicle Loan) | - | - | - | - | - | - |
| Trade and other Payables | 14,669,120 | - | - | - | - | 14,669,120 |

As on 31.03.2020

| Contractual Maturities of Financial Liabilities | Contractual cash flows | | | | | Total |
|---|------------------------|-------------|-----------|-----------|-------------------|-------------------|
| | 3 Months or less | 3-12 Months | 1-2 Years | 2-5 Years | More than 5 Years | |
| Term Loans from Banks* | - | - | - | - | - | - |
| Term loans from Bank (Vehicle Loan) | - | - | - | - | - | - |
| Trade and other Payables | 12,314,496 | - | - | - | - | 12,314,496 |

As on 01.04.2019

| Contractual Maturities of Financial Liabilities | Contractual cash flows | | | | | Total |
|---|------------------------|-------------|-----------|-----------|-------------------|-------------------|
| | 3 Months or less | 3-12 Months | 1-2 Years | 2-5 Years | More than 5 Years | |
| Term Loans from Banks* | - | - | - | - | - | - |
| Term loans from Bank (Vehicle Loan) | - | - | - | - | - | - |
| Trade and other Payables | 16,655,548 | - | - | - | - | 16,655,548 |

*Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenure of the borrowing.

The Company has accessed the following undrawn facilities at the end of reporting period:

| Particulars | As At 31st March 2021 | As At 31st March 2020 | As At 1st April 2019 |
|----------------------------------|-----------------------|-----------------------|----------------------|
| Fixed Rate Borrowings: | - | - | - |
| Floating-rate borrowings: | 8,981,914 | 9,218,615 | 55,931,469 |
| Total- Undrawn Facilities | 8,981,914 | 9,218,615 | 55,931,469 |

(c) Market Risk

Considering the Company's existing foothold/experience in the Textile sector, established & diversified client base, association with various international/domestic agents, it's competent sales team and an established marketing setup in India and International Market, it does not foresee any problem in marketing its production.

Market Risk is the risk of loss of future earnings, fair values of future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchanges rates, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, and other market changes.

The Company manages market risk through a finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

i) Interest Rate Risk

It is the risk where changes in market interest rates might adversely affect the company's financial condition. The short term/immediate impact of changes in interest rates are on the Company's net interest income/expenses. On a longer term, change in interest rate impact the cash flows on the assets, liabilities and off-balance sheet items, giving rise to a risk to the net worth of the Company arising out of all reprising mismatches and other interest rate sensitive positions.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Detail of financial instrument bearing interest rate risk

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As At 1st April 2019 |
|---------------------------------------|--------------------------|--------------------------|----------------------|
| Variable rate instruments | | | |
| Long Term Borrowings | - | - | - |
| Current Maturities of Long Term Debts | - | - | - |
| Short Term Borrowings | 125,013,490 | 159,555,484 | 248,407,242 |
| Total | 125,013,490 | 159,555,484 | 248,407,242 |

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars | Effect of Profit or Loss | |
|--------------------------|--------------------------|--------------------|
| | 50 BP decrease | 50 BP increase |
| 31st March 2021 | | |
| Term Loans | - | - |
| Loan repayable on demand | 625,067 | (625,067) |
| Total | 625,067 | (625,067) |
| 31st March 2020 | | |
| Term Loans | - | - |
| Loan repayable on demand | 797,777 | (797,777) |
| Total | 797,777 | (797,777) |
| 1st April 2019 | | |
| Term Loans | - | - |
| Loan repayable on demand | 1,242,036 | (1,242,036) |
| Total | 1,242,036 | (1,242,036) |

ii) Foreign Exchange Risk

It is the risk that the company may suffer losses as a result of adverse exchange rates movements during a period in which it has an open position in an individual foreign currency. In addition, the company may also expose to the following risks on account of foreign exchange exposures as applicable.

Interest Rate Risk - Which arises from the maturity mismatches of foreign currency position

Settlement Risk - On account of risk of default of the counter parties.

Note 29 - Disclosure as per Ind AS 115 "Revenue from Contract with Customers"

The company has adopted Ind AS 115 "Revenue from Contracts with Customers" which is mandatory for reporting periods beginning on or after 01st April 2018. The Company has adopted the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with this method, the comparatives have not been retrospectively adjusted. Application of Ind AS 115 does not have any material impact on the financial results of the company.

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by contract-type. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

| Particulars | As at 31st March 2021 | As at 31st March 2020 | As at 1st April 2019 |
|---|--------------------------|--------------------------|-------------------------|
| Revenues on the basis of Geographical area | | | |
| - Domestic Sales | 1,775,781,661 | 1,326,049,023 | 1,759,670,214 |
| - Export Sales (Including Export Incentives) | - | - | - |
| Total | 1,775,781,661 | 1,326,049,023 | 1,759,670,214 |

Trade receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables either as a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time. This would result in the timing of revenue recognition being different from the timing of billing the customers.

Company classifies amount received as advance from customers against sales as contract liability.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in para 121 of Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the performance obligation is part of a contract that has an original expected duration of less than 1 year.

The impact on account of applying the erstwhile IndAS 18 Revenue instead of IndAS 115 Revenue from contract with customers on the financials results of the Company for the year ended as at March 31, 2021 is insignificant.

Note 30 - Disclosure as per Ind AS 108 "Operating Segments"

(i) The Company is engaged in Business of Textiles. Hence there is no separate business segments.

Details of Export outside country and Domestic sales within country are as under:

| Particulars | Current Year | Previous Year | Opening Year |
|---|----------------------|----------------------|----------------------|
| Segment Revenue | | | |
| - Within India (Domestic Sales) | 1,775,781,661 | 1,326,049,023 | 1,759,670,214 |
| - Outside India (Exports - Including Export Incentives) | - | - | - |
| Total | 1,775,781,661 | 1,326,049,023 | 1,759,670,214 |

Note 31 : Recent Accounting Pronouncements

The MCA has notified the Companies (Indian Accounting Standards/ Ind AS) Amendment Rules, 2020 on June 18, 2021, whereby the amendments to various Indian Accounting Standards has been made applicable with the immediate effect from the date of the notification i.e. effective for financial year ended March 21, 2022 onwards. The amendments made vide aforesaid notification dated June 18, 2021 are largely clarificatory and editorial in nature, the Company is evaluating the requirements of the same and its effect on the Financial Statements is not likely to be material.

IN TERMS OF OUR AUDIT REPORT OF EVEN DATE

FOR ALOK PALOD & COMPANY

Chartered Accountants

FRN - 018061C

(ALOK PALOD)

Partner

M. NO. 417729

Place : Bhilwara

Date : 30.06.2021

(Rampal inani)

(MANAGING DIRECTOR)

(DIN-00480021)

(Susheel Kumar Inani)

(CFO/DIRECTOR)

(DIN-02928254)

(PAN-AACPI5846C)

For & on behalf of the Board

(VINOD KUMAR INANI)

(DIRECTOR)

(DIN-02928272)

ADITI BABEL

(COMPANY SECRETARY &

COMPLIANCE OFFICER)

(PAN-CQMPB1513K)



SHANKAR LAL RAMPAL DYE-CHEM LIMITED

CIN: L24114RJ2005PLC021340

S.G. 2730 SUWANA, BHILWARA – 311011, RAJASTHAN, INDIA

Website: www.srdyechem.com

Email ID: info@srdyechem.com, Ph: 7023260109

ANNUAL GENERAL MEETING NOTICE

NOTICE IS HEREBY GIVEN THAT 16th ANNUAL GENERAL MEETING OF THE MEMBERS OF SHANKAR LAL RAMPAL DYE-CHEM LIMITED WILL BE HELD ON WEDNESDAY, 25TH AUGUST, 2021 AT 01.00 PM REGISTERED OFFICE AT S.G 2730, SUWANA ROAD, BHILWARA RAJASTHAN 311011. TO TRANSACT THE FOLLOWING BUSINESS:-

To consider and decide the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 including the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss and Cash Flow for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend on equity shares of the Company for the financial year ended 31st March, 2021 at the rate of 1.00 % (Rs. 0.10 per Equity Share) to the equity shareholders.
3. To appoint a Director in place of Vinod Kumar Inani, Whole Time Director (DIN- 02928272), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To review existing related party transaction limit and to consider and, if thought fit, to pass with or without modification(s), the following **Resolution as an Ordinary Resolution**:

"RESOLVED THAT pursuant to the Section 188 of Companies Act, 2013, Regulation 23(as applicable after Migration to Main Board) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, including any re - enactment, modification, amendment thereof, consent of the Members be and is hereby accorded to review the limits of Related Party Transactions the details given in explanatory statement.

RESOLVED FURTHER THAT any Director of the Company, Chief Financial Officer and / or Company Secretary be and hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution."

5. To designate Mr.Rampal Inani, Managing Director; as Chairman of the Company and to consider and, if thought fit, to pass with or without modification(s), the following **Resolution as an Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196,197, 203 and any other applicable provisions of the Companies Act 2013 read with Schedule V of the Act and Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as may be applicable (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the requisite approval of statutory authorities, if any, as may be required Mr.Rampal Inani (DIN 00480021) be and is hereby re-designated as a Chairman of the Company for period till he holds position as Managing Director of the Company & Reappointment thereon; due to this re-designation as Chairman cum Managing Director, there will be no change in terms and conditions of existing remuneration paid to him.

RESOLVED FURTHER THAT Mr.Susheel Kumar Inani, Chief Financial Officer or any existing executive director or the Company Secretary of the Company be and are hereby authorised to take all such actions and give all such directions, or do all such acts, deeds, matters and things as may be necessary in this regard and further to execute all such deeds, documents and writings etc as may be necessary in this regard."

For and on behalf of
SHANKAR LAL RAMPAL DYE-CHEM LIMITED

Date: 24/07/2021

Registered Office: SG-2730

Suwana, Bhilwara-311011(Raj.)

CIN-L24114RJ2005PLC021340

Sd/-

Aditi Babel

Company Secretary & Compliance Officer

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has issued its circular dated May 5, 2020 read with issued General Circular nos. 20/2020, 14/2020, 17/2020, 02/2021 and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued dated January 15, 2021 in relation to "Relaxation from Compliance with certain provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 due to the Covid-19 pandemic (hereinafter collectively referred to as "the Circulars") permitted holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circular and SEBI circular the AGM of the members of the Company is being through VC/ OAVM. The registered office of the Company shall be deemed to be the venue of the AGM.
2. An explanatory statement pursuant to Section 102 of the Act, relating to special business to be transacted at the AGM, is annexed hereto.
3. The Company has paid annual listing fee to BSE Ltd. (BSE), National Stock Exchange of India Limited (NSE), National Securities Depositories Ltd. (NSDL) and Central Depositories Securities Ltd. (CDSL) for financial year 2021 - 22.
4. The Company has fixed 13th August, 2021 as the 'Record Date' for determining entitlement of members to final dividend for the financial year ended March 31, 2021, if approved at the AGM.
5. Further in order to receive dividend in a timely manner, Members who have not updated their mandate for receiving dividends directly in their bank accounts through Electronic Clearing Service or any other means can register their Electronic Bank Mandate.
6. In case the Company is unable to pay dividend to any Member directly in their bank account through Electronic Clearing Services or any other means due to non-registration of Electronic Bank Mandate the Company shall dispatch the dividend warrants to such member at the earliest once the normalcy is restored.
7. Pursuant to Finance Act 2020, dividend income will be taxable at the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to members at prescribed rates. For the prescribed rates for various categories the members are requested to refer to the Finance Act, 2020 and amendments thereof. The members are requested to update their PAN with Registrar and Transfer Agents (in case of shares held in physical mode) and depository participants (in case shares held in demat mode). However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 21-22 does not exceed 5000/-.
8. A resident individual shareholder with PAN who is not liable to pay income tax can submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax at Company's RTA by 16th August, 2021 (upto 5.00 p.m. IST). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending to Company's RTA. The said declarations need to be submitted by 10th August, 2021 (upto 5.00 p.m. IST).
9. The Register of Member and Share Transfer Books of the Company will remain closed from 13th August, 2021 to 25th August, 2021 (both days inclusive) in connection with the Annual General Meeting and Dividend Declaration.
10. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars on AGM through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
11. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to cs@srध्येchem.com with a copy marked to helpdesk.evoting@cdslindia.com.
12. Pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Director seeking reappointment at this AGM are provided in the "Annexure" to the Notice.
13. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s).
14. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.SH-13. Members are requested to submit these details to their DP in case

the shares are held by them in electronic form, and to the Company's RTA, in case the shares are held in physical form.

16. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
18. Members intending to express their views or raise queries during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DPID & client ID / Folio Number, PAN, mobile number and queries **on from 9.00 a.m. on August 17, 2021 till 05.00 p.m. on August 19, 2021 through email on cs@srध्येchem.com**. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
19. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company **from 9.00 a.m. on August 17, 2021 till 05.00 p.m. on August 19, 2021 through email on cs@srध्येchem.com**. The same will be replied by the Company suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.
20. The Company has designated a separate e-mail ID of the grievance redressal division/Compliance officer i.e. cs@srध्येchem.com; exclusively for the purpose of registering complaints by investors.
21. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the **Notice calling the AGM** has been uploaded on the website of the Company at www.srध्येchem.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
22. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 2/2021 dated 13th January, 2021 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice and Annual Report will also be available on the Company's website <https://www.srध्येchem.com>, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively, and on the website of CDSL i.e. www.evotingindia.com.
23. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@srध्येchem.com.
24. Additional information on directors recommended for appointment / reappointment as required under Regulation 36 of the LODR Regulations and applicable Secretarial Standards

| S.no. | Particulars (details as on 31 st March, 2021) | Details |
|-------|---|--|
| 1 | Name of Retiring Director offering himself for resignation (with position in Co.) | Vinod Kumar Inani (Whole Time Director) |
| 2 | Tenure of association with the company | From 23/04/2018 |
| 3 | Expertise in Specific Functional Area | He is having vast experience in business and commerce. He is playing a vital role in developing business strategies for the company and under his supervision company has enhanced its business. |
| 4 | Chairmanship/Membership of committees in the company | None |
| 5 | Directors in other public limited companies and Chairmanship/Membership of committees in other public limited Companies | None |
| 6 | Shares held in the company (%) | 5.99% (Promoter) |

*Note : Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and their Committee memberships are excluded from this declaration. Membership and Chairmanship of Committees of only public Companies have been included in the aforesaid table.

Except all executive Directors;who are brothers to reappointing Director; Mr.Susheel Kumar Inani, Mr.Jagdish Chandra Inani, Mr. Dinesh Chandra Inani and Mr.RampallInani; no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in his re-appointment as a Director of the Company.

- 25.** To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for a long time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
- 26.** To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.
- 27.** Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form.
- 28.** The Meeting shall be deemed to be held at the registered office of the Company at SG 2730, Suwana, Bhilwara-311011, Rajasthan.
- 29.** Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this Notice.
- 30.** The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
- 31.** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Service(India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting on the date of the AGM will be provided by CDSL.

32. The Company is pleased to provide e-voting facility to all its shareholders to cast their votes electronically on the resolutions mentioned in the notice of 16th Annual General Meeting of the Company dated 24th July, 2021 (the AGM Notice). The E-Voting shall start on Saturday, 21st August, 2021(09:00 AM onwards) to Tuesday, 24th August, 2021(Till 05:00 PM); CDSL will block E-voting after that. The Company has appointed CS Sanjana Jain, Practising Company Secretary, Rajasthan; as Scrutinizer for conducting e-voting process in fair and transparent manner. The e-voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them at the end of business hours on 13th August, 2021. Instruction for E-Voting and joining AGM are as follows:

CDSL e-Voting System – For E-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020; the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.srdychem.com/investorrelation. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOININGVIRTUAL MEETINGSARE AS UNDER:

- (i) The voting period begins on 21.08.2021 from 09:00 AM IST and ends 24.08.2021 to 05:00 PM IST. During this period shareholders' of the Company, holding shares, as on the cut-off date (record date) of 13.08.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.**

Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetingsfor **Individual shareholders holding securities in Demat mode CDSL/NSDL**is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none">1) Userswho have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest arehttps://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.2) After successful logintheEasi / Easiest user will be able to see the e-Voting option for eligible companieswhere the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.Additionally, there is also links provided to access the system ofall e-Voting |

| Type of shareholders | Login Method |
|--|--|
| | <p>Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in demat mode with NSDL | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a</p> |

| Type of shareholders | Login Method |
|---|---|
| | Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form. Company is having 100% holding in Demat Mode.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
|--|--|
| PAN | Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@srध्येchem.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions(Maximum 2 questions will be allowed based on prior communication to the Company so that suitable descriptions can be kept readily available at AGM) during the meeting may register themselves as a speaker by sending their request in advance **between 9.00 a.m. on August 17, 2021 till 05.00 p.m. on August 19, 2021**;mentioning their name, demat account number/folio number, email id, mobile number at cs@srध्येchem.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **between 9.00 a.m. on August 17, 2021 till 05.00 p.m. on August 19, 2021** mentioning their name, demat account number/folio number, email id, mobile number at cs@srध्येchem.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id. Company doesn't have shareholder holding physical certificate.**
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr.RakeshDalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

33. DECLARATION OF RESULTS:

1. The Scrutinizer shall after the conclusion of voting at general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall make no later than two (2) days from the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or the person authorised by him in writing, who shall counter sign the same and declare the result of voting forthwith. The result of the E-Voting will be declared on/not later than Friday, 27th August, 2021 latest by 05:00 P.M. (IST) at the registered office of the Company.

2. Based on the Scrutinizer's Report, the Company will submit within 2 days of the conclusion of the results to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulations.

3. The result of the E-Voting declared along with the Scrutinizer's Report, will be hosted on the website of the Company - www.srdyechem.com and on the website of CDSL and will be displayed on the notice board of the Company at its registered office, immediately after the declaration of the result by the Chairperson or a person authorized by him in writing and communicated to the Stock Exchange.

For and on behalf of
SHANKAR LAL RAMPAL DYE-CHEM LIMITED

Date: 24/07/2021

Registered Office: SG-2730

Suwana, Bhilwara-311011 (Raj.)

CIN-L24114RJ2005PLC021340

Sd/-

Aditi Babel
Company Secretary & Compliance Officer

ANNEXURE TO THE NOTICE:

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS

ITEM NO.4 To review existing Related Party Transaction Limits of the Company.

The Shareholder already granted permission in year 2018 for all required limit; which were exceeding as prescribed under Section 188(1) of Companies Act, 2013 and Rules thereby; existing Related Party Transaction and same are under approved limits. There are no material transaction which are extra-ordinary in nature or not on arms length.

As per Regulation 23 of the LODR, a transaction with a related party shall be considered as material, if the transaction / transactions to be entered into individually or taken together with previous transactions during any financial year exceed 10% of the annual consolidated turnover of the company as per the last audited financial statements ("Prescribed Limit").

The Limits for review and approval are:

| <u>Name of Entity</u> | <u>Nature of Relationship</u> | <u>Transaction and Duration</u> | <u>Approved Limit</u> |
|---------------------------|---|--|---|
| Sh. Rampal Inani | Director cum Promoter | Managerial Remuneration-as per agreement between Director and Company | As per Agreement between the Director and Company which was approved by shareholder in their earlier meeting and same shall not exceed limits prescribed under Section 196, 197 of Companies act,2013 and Schedule thereunder. |
| Sh. Jagdish Chandra Inani | Director cum Promoter | | |
| Sh. Dinesh Chandra Inani | Director cum Promoter | | |
| Sh. Vinod Kumar Inani | Director cum Promoter | | |
| Sh.Susheel Kumar Inani | Director cum Promoter | | |
| Sh. Rampal Inani | Director cum Promoter | Borrowing from Promoter and Promoter Group as required by Bank; duration will be continuous and stipulated by Lender Bank of the Company | Aggregate Borrowing anytime from each party shall not exceed limits approved under Section 180(1)(c) and shall not exceed 10% of gross turnover or 10% of Networth of the Company, whichever is less. The Interest payable shall be as per prevailing rate. The Borrowings can be increased or decreased under the limit as per requirement of the Company's Working Capital and Bank/s. |
| Sh. Jagdish Chandra Inani | Director cum Promoter | | |
| Sh. Dinesh Chandra Inani | Director cum Promoter | | |
| Sh. Vinod Kumar Inani | Director cum Promoter | | |
| Sh.Susheel Kumar Inani | Director cum Promoter | | |
| Rahul Inani | Relative of Director and Member of Promoter Group | | |
| Chhavi Inani | Relative of Director | | |
| | | | |

| Name of Entity | Nature of Relationship | Transaction and Duration | Approved Limit |
|-----------------------------------|---|--|---|
| Ganga Devi Inani | Relative of Director and Member of Promoter Group | Borrowing from Promoter and Promoter Group as required by Bank; duration will be continuous and stipulated by Lender Bank of the Company | Aggregate Borrowing anytime from each party shall not exceed limits approved under Section 180(1)(c) and shall not exceed 10% of gross turnover or 10% of Networth of the Company, whichever is less. The Interest payable shall be as per prevailing rate. The Borrowings can be increased or decreased under the limit as per requirement of the Company's Working Capital and Bank/s |
| Usha Inani | Relative of Director and Member of Promoter Group | | |
| Mamta Inani | Relative of Director and Member of Promoter Group | | |
| Meena Inani | Relative of Director and Member of Promoter Group | | |
| Ayushi Inani | Relative of Director and Member of Promoter Group | | |
| Kiran Inani | Relative of Director and Member of Promoter Group | | |
| Sheelu Inani | Relative of Director and Member of Promoter Group | | |
| Oasis Capital Pvt Ltd | Relative of Director is in Management of related party and Member of Promoter Group | | |
| Shankar Lal Inani HUF | Director is Karta and Party is member of Promoter Group | | |
| Rampal Inani HUF | Director is Karta and Party is member of Promoter Group | | |
| Vinod Kumar Inani HUF | Director is Karta and Party is member of Promoter Group | | |
| Jagdish Chandra Inani HUF | Director is Karta and Party is member of Promoter Group | | |
| Susheel Kumar Inani HUF | Director is Karta and Party is member of Promoter Group | | |
| Classic Prime Home care PVT. LTD. | Relative of Director is in Management of related party and Member of Promoter Group | | |
| Dinesh chandra inani HUF | Director is Karta and Party is member of Promoter Group | | |

| Name of Entity | Nature of Relationship | Transaction and Duration | Approved Limit |
|-----------------------|---|--|---|
| Rahul Inani | Relative of Director and Member of Promoter Group | Salary; continous duration till post vacants | As decided by Board and as recommended by Nomination & Remuneration Committee but shall not exceed Rs. 3.5 Lakh per month. |
| Usha Inani | Relative of Director and Member of Promoter Group | Salary; continous duration till post vacants | |
| Mamta Inani | Relative of Director and Member of Promoter Group | Salary; continous duration till post vacants | |
| Meena Inani | Relative of Director and Member of Promoter Group | Salary; continous duration till post vacants | |
| Kiran Inani | Relative of Director and Member of Promoter Group | Salary; continous duration till post vacants | |
| Sheelu Inani | Relative of Director and Member of Promoter Group | Salary; continous duration till post vacants | |
| Ganga Inani | Relative of Director and Member of Promoter Group | Rent Payment of Godowns; continous duration | Shall not exceed 2% of gross turnover. |
| Inani Chemicals | Director Rampal Inani is Propreitor | Sales/Purchase/Commission/Brokerage on Sale in normal course of Business; continous duration | Shall not exceed 10% of gross turnover; in case of excigencies can reach 15%. Same shall be on Arms Length everytime. |
| Oasis Capital Pvt Ltd | Relative of Director is in Management of related party and Member of Promoter Group | Sales/Purchase/Commission/Brokerage on Sale in normal course of Business; continous duration | Shall not exceed 10% of gross turnover; in case of excigencies can reach 15%. Same shall be on Arms Length everytime. |
| Anil Kumar Kabra | Non-Executive and Independent Director | Sitting Fee; continous duration | As decided by Board and as recommended by Nomination & Remuneration Committee but shall be everytime Less than Rs. 2000 per meeting |
| Murli Atal | Non-Executive and Independent Director | Sitting Fee; continous duration | |
| Apoorva Maheshwari | Non-Executive and Independent Director | Sitting Fee; continous duration | |
| Harsh Kabra | Non-Executive and Independent Director | Sitting Fee; continous duration | |
| Aditya Soni | Non-Executive and Independent Director | Sitting Fee; continous duration | |

| Name of Entity | Nature of Relationship | Transaction and Duration | Approved Limit |
|----------------|--|---|--|
| Aditi Babel | Company Secretary & Compliance Officer | Salary; continuous duration till post vacants | As decided by Board and as recommended by Nomination & Remuneration Committee but shall not exceed the remuneration payable to Senior Management Staff |

The above transactions are at arm's length and also in the ordinary course of business and hence exempt from provisions of Section 188 (1) of the Companies Act, 2013.

The Members may please note that in terms of the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the related parties as defined thereunder shall abstain from voting on this agenda item.

ITEM NO.5 To designate Managing Director Mr.Rampal Inani as Chairman of the Company.

Keeping in view the time devoted by the Managing Director Mr. Rampal Inani and the experience of Industry he is having; the Board recommended his re-designation as Chairman and Managing Director of the Company. There will no change in terms of his appointment or remuneration.

The Board hereby recommend this resolution to be passed as Ordinary Resolution of the Company subject to the approval of members in the General Meeting.

None of the Directors and Key Managerial Personnel (including relatives of directors or key managerial personnel) of the Company are in any way concerned or interested, financially or otherwise in this proposed resolution except to the extent of their shareholding in the Company, if any.

Here special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

For and on behalf of
SHANKAR LAL RAMPAL DYE-CHEMLIMITED

Date: 24/07/2021

Registered Office: SG-2730

Suwana, Bhilwara-311011(Raj.)

CIN-L24114RJ2005PLC021340

Sd/-

Aditi Babel

Company Secretary & Compliance Officer