

# *Kansal Fibres Limited*

(CIN:L17116PB1994PLC014457)

**ANNUAL**

**REPORT**

**2019-20**

# **KANSAL FIBRES LIMITED**

## **BOARD OF DIRECTORS**

<b>Karan Bairwa</b>	-	<b>Chairman &amp; Managing Director</b>
<b>Akshay H. Soni</b>	-	<b>Director</b>
<b>Kashmira Vijay Khatree</b>	-	<b>Director</b>
<b>Bipin Mangaldas Patel</b>	-	<b>Director</b>
<b>Sandip Kantilal Khatri</b>	-	<b>Chief Financial Officer</b>

### **AUDITORS**

**Vishves A. Shah & Co.**  
**Chartered Accountants**  
FRNo. 121356w  
316, Abhishek Plaza,  
B/h Navgujarat College,  
Income-Tax, Ahmedabad-380009.

### **REGISTRAR AND SHARE TRANSFER AGENT (RTA)**

**Skyline Financial Services Pvt. Ltd.**  
D-153/A, 1<sup>st</sup> Floor, Phase I,  
Okhla Industrial Area,  
New Delhi,  
Delhi – 110 020

### **Registered Office**

E-10/7586/A, Opp. Lane Pooja Intl,  
Bahadur Kay Road,  
Dana Mandi, Ludhiana,  
Punjab - 141008

### **Corporate Office**

2283/B, 2<sup>nd</sup> Floor, Khadayata ni Khadki,  
Raipur Chakla,  
Ahmedabad,  
Gujarat 380001

### **Website**

[www.kansalfibres.co.in](http://www.kansalfibres.co.in)

### **Email**

[kansalfiberltd@gmail.com](mailto:kansalfiberltd@gmail.com)

# KANSAL FIBRES LIMITED

Reg. Office: E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana - 141008

E mail Id: [kansalfiberltd@gmail.com](mailto:kansalfiberltd@gmail.com), Contact No. 9824055589

Website: [www.kansalfibres.com](http://www.kansalfibres.com), CIN NO. L17116PB1994PLC014457

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## **NOTICE**

Notice is hereby given that the Annual General Meeting of the members of KANSAL FIBRES LIMITED will be held on Friday 10<sup>th</sup> July, 2020, at 12.00 P.M. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") or at the registered office of the company to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2020, balance sheet as on that date, Director's Report and the Auditor's report thereon.
2. To appoint Director in place of Mr. Karan Bairwa who retires by rotation and being eligible offers himself for reappointment.
3. To ratify the appointment of M/s. Vishves A Shah & Co., Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, until the conclusion of Annual General Meeting to be held in the year 2020 and to fix their remuneration for the financial year ending 31<sup>st</sup> March, 2021.

### **SPECIAL BUSINESS**

- 4. To Appoint Mr. Akshay Hiteshkumar Soni (DIN: 08202654) as an Independent Director:**

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

**"RESOLVED THAT**, pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Mr. Akshay Hiteshkumar Soni, a non-executive Independent Director of the Company, who has submitted declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for the term of Five years.

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

#### **5. Reduction of Share Capital of the Company:-**

**To consider and, if thought fit, to pass with or without modification(s) the following resolutions as Special Resolution:**

**“RESOLVED THAT** pursuant to Section 66 and other applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules made there under (the “Act”), read with Articles of Association of the Company; and the confirmation by the Hon'ble National Company Law Tribunal (“NCLT”); and such other approvals as may be required, and subject to the terms and conditions and modifications, if any, as may be prescribed by the NCLT and any other appropriate authority, as may be required or prescribed by such appropriate authority while granting approval or confirmation, and which may be agreed to by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded, by way of a special resolution, to reduce the issued, subscribed and paid-up capital of the Company from Rs.5,67,29,000 ((Rupees Five Crores Sixty Seven lakhs Twenty Nine Thousand) consisting of 56,72,900 (Fifty Six lakhs Seventy Two Thousand Nine Hundred) equity shares of Rs 10 each by cancelling and extinguishing, in aggregate, 98% (Ninety Eight Percent) of the total issued, subscribed and paid-up equity share capital comprising 55,59,442 (Fifty Five lakhs Fifty Nine Thousand Four Hundred Forty Two) equity shares of Rs.10 each held by shareholders of the Company i.e. the holders of the equity shares of the Company.”

**“RESOLVED FURTHER THAT** upon the Capital Reduction being confirmed by the NCLT and becoming effective and operative, without any further act or deed by the equity shareholders (including but not limited to surrendering of share certificates with transfer forms), 55,59,442 (Fifty Five lakhs Fifty Nine Thousand Four Hundred Forty Two) equity shares of Rs. 10 (Rupees Five) each of the Company held by the Equity Shareholders shall stand cancelled and extinguished and rendered invalid.”

**“RESOLVED FURTHER THAT** the payment of consideration to the abovementioned Public Shareholders shall be made within such number of days of the Record Date and subject to such approvals, if any, as may be required under the applicable law/s or as may be directed by the NCLT, on the reduction becoming effective. All such payments will be made by electronic transfer of funds, cheque, pay order/warrant or demand draft, NEFT/RTGS/IMPS, after payment of appropriate taxes by the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take all necessary steps and do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its members in connection with and relating to the Capital Reduction, including any directions for settling any question or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the Capital Reduction, or to any modification thereof, and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members.”

**6. Shifting of registered office from the state of Punjab to the state of Gujarat and Alteration of Memorandum of Association:**

To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 13(4) read with Rule 30 of the Companies (Incorporation) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and subject to the confirmation of the Regional Director/Central Government the consent of the members of the Company be and are hereby accorded to shift the registered office of the Company from the state of Punjab to the State of Gujarat.

**“RESOLVED FURTHER THAT** the Clause No. II of the Memorandum of Association of the Company be and is hereby substituted by the following:

**“The Registered Office of the Company shall be situated in the State of Gujarat.”**

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable for and on behalf of the Company.”

**Date : 12/06/2020**

**Place : Ludhiana**

**By order of Board of Directors**

**Sd/-**

**Karan Bairwa  
Managing Director  
DIN : 08026123**

## NOTES

1. The relevant Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of Special Business set out in item No. 4 is annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/Proxy holders are requested to bring their copy of Attendance slip sent herewith duly filled-in for attending the Annual General Meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday 03<sup>rd</sup> July, 2020 to Friday 10<sup>th</sup> July, 2020 (both days inclusive).
6. The Shareholders are requested to notify their change of address immediately to the Registrars & Transfer Agent **M/s. Skyline Financial Services Private Limited**. The Company or its registrar will not act on any request received directly from the shareholder holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant by the Shareholders.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of 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 the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
8. Members intending to seek explanation /clarification about the Accounts at the Annual General Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that relevant information may be made available, if the Chairman permits such information to be furnished.
9. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail.

### **10. PROCESS FOR MEMBERS OPTING FOR E-VOTING**

- i. In compliance with the provisions of Section 108 of the companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendments Rules, 2015, the Company is pleased to offer the facility of voting through

electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of CDSL.

- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. 02<sup>nd</sup> July, 2020 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. The remote e-voting will commence on 07<sup>th</sup> July, 2020 at 09.00 am and will end on 09<sup>th</sup> July, 2020 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 02<sup>nd</sup> July, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- iv. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- v. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
- vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the company as on the Cut-off date i.e 02<sup>nd</sup> July, 2020.
- vii. The Company has appointed **Mr. Ajit M. Santoki**, Practicing Company Secretary (Membership No 4189, COP No. 2539), Ahmedabad to act as the Scrutinizer for conducting the remote e-voting and voting at poll process in a fair and transparent manner.
- viii. The Procedure and instructions for remote e-voting are as follows:

**(i)** The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

**(ii)** Click on Shareholders.

**(iii)** Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

**(iv)** Next enter the Image Verification as displayed and Click on Login.

**(v)** If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

**(vi)** If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details <b>OR</b> 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.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

**(vii)** After entering these details appropriately, click on “SUBMIT” tab.

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

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

**(x)** Click on EVSN of the Company.

**(xi)** 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.

**(xii)** Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

**(xiii)** 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.

**(xiv)** Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

**(xv)** You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.



(xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also use Mobile app - "m - Voting" for e voting . m - Voting app is available on Apple , Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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.

xi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**X.** Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**Date : 12/06/2020**

**Place : Ludhiana**

**By order of Board of Directors**

**Sd/-**

**Karan Bairwa  
Managing Director  
DIN : 08026123**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF**  
**THE COMPANIES ACT, 2013 (“the Act”)**

As required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 4 of the accompanying Notice dated 12<sup>th</sup> June, 2020.

**ITEM NO. 4**

**To appoint Mr. Akshay Hiteshkumar Soni (DIN: 08202654) as an Independent Director of the Company**

Mr. Akshay Hiteshkumar Soni, Director of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act, In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Directors and they are independent of the management. Mr. Akshay Hiteshkumar Soni was appointed in a board as an additional Director w.e.f. 26.02.2020. Mr. Akshay Hiteshkumar Soni is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act and have given their consent to act as Directors. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the members for their approval. The terms and conditions of appointment of the above Directors shall be open for inspection by the members at the registered office of the company during normal business hours on any working day, excluding Saturday. Brief resume and other details of the Independent Directors whose appointment is proposed are provided in the annexure to the Explanatory statement attached herewith.

**ITEM NO. 5**

**Reduction of Share Capital of the Company:**

The Company has incurred huge losses in past and the current capital of the company is not reflecting the true potential of the Company. Hence, the management is in the view that the effect of past losses should be mitigated, thereby actual potential of the company can be reflected. Hence, Management has decided to reduce the share capital of the company up to the maximum possible extent

In such circumstances it is desired that the capital structure of the Company should be reorganized. Hence, the Board of Directors decided that accumulated losses should be written-off to maximum possible extent, i.e., 98% of the existing equity share capital. This will help to bring the value of its share capital nearer to its real value.

In such circumstances, it is desirable to reorganize the present financials of the Company by writing off the accumulated losses as at 31<sup>st</sup> March 2020, subject to the approval of Hon'ble NCLT of relevant jurisdiction and such other authorities as may be prescribed,

**Below given is the brief synopsis of the aforesaid reduction:**

- a) The Subscribed, Issued and Paid –up capital of the Company shall stand reduced from Rs. 5,67,29,000/- (Rupees Twelve Five Crores Sixty Seven lakhs Twenty Nine Thousand) divided into 56,72,900 (Fifty Six lakhs Seventy Two Thousand Nine Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 11,34,580/- (Rupees Eleven Lakhs Thirty Four Thousand Five Hundred Eighty) divided into 1,13,458 (One Lakh Thirteen Thousand Four Hundred Fifty Eight) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The aforesaid reduction of paid up equity share capital shall be effected by cancelling 98% holding of equity shareholders of the Company.
- b) The new share certificates pursuant to the reduction of share capital shall be issued only upon the request received from the shareholder.
- c) Pre and Post Reduction Share capital structure and shareholding pattern:

<b>Particulars</b>	<b>Pre – Reduction Amount (In Rs.)</b>	<b>Post Reduction Amount (In Rs.)</b>
<b>Authorized Share Capital</b>		
Equity Shares 56,72,900 Equity Shares of Rs. 10/- each	5,67,29,000	5,67,29,000
<b>Total</b>	<b>5,67,29,000</b>	<b>5,67,29,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>		
Equity Shares	5,67,29,000	<b>11,34,580</b>
	(56,72,900 shares of Rs. 10 each)	(1,13,458 Shares of Rs. 10 each)
<b>Total</b>	<b>5,67,29,000</b>	<b>11,34,580</b>

**Pre and Post Reduction Shareholding Pattern (Equity Shareholders)**

Sr	Description	Name of Shareholder	Pre-arrangement		Post-arrangement	
			No.of shares	%	No.of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>					
<b>1</b>	<b>Indian</b>					
	Individuals/ Hindu Undivided Family					
<b>(b)</b>	<b>Central Government/ State Government(s)</b>					
<b>(c)</b>	<b>Bodies Corporate</b>	<b>LAXMI EDIFICE PRIVATE LIMITED</b>	<b>15,43,100</b>	<b>27.20</b>	<b>30,862</b>	<b>27.20</b>
<b>(d)</b>	<b>Financial Institutions/ Banks</b>					
<b>(e)</b>	<b>Any Others</b>					
	<b>Sub Total(A)(1)</b>	<b>1</b>	<b>15,43,100</b>	<b>27.20</b>	<b>30,862</b>	<b>27.20</b>

<b>2</b>	<b>Foreign</b>					
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)					
(b)	Bodies Corporate					
(c)	Institutions					
(d)	Any Others					
	<b>Sub Total(A)(2)</b>					
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>1</b>	15,43,100	27.20	30,862	27.20
<b>(B)</b>	<b>Public shareholding</b>					
<b>1</b>	<b>Institutions</b>					
(a)	Mutual Funds/ UTI	BARODA MULTI CAP FUND	2,00,000	3.53	4000	3.53
(b)	Financial Institutions / Banks					
(c)	Central Government/ State Government(s)					
(d)	Venture Capital Funds					
(e)	Insurance Companies					
(f)	Foreign Institutional					

	Investors					
(g)	Foreign Venture Capital Investors					
(h)	Any Other					
	<b>Sub-Total (B)(1)</b>	<b>1</b>	<b>2,00,000</b>	<b>3.53</b>	4000	3.53
<b>2</b>	<b>Non-institutions</b>					
(a)	Bodies Corporate					
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	3572	22,55,800	39.76	45,116	39.76
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	24	15,69,800	27.67	31,396	27.67
(c)	Any Other	Bodies Corporate- 18	1,02,400	1.81	2,048	1.81
		HUF- 3	1,800	0.03	36	0.03
	<b>Sub-Total (B)(2)</b>	<b>3617</b>	<b>39,29,800</b>	<b>69.27</b>	<b>78,596</b>	<b>69.27</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>3618</b>	<b>4129800</b>	<b>72.80</b>	<b>82,596</b>	<b>72.80</b>
	<b>TOTAL (A)+(B)</b>					
<b>(C)</b>	Shares held by Custodians and against which					

	DRs have been issued					
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>3619</b>	<b>56,72,900</b>	<b>100.00</b>	<b>1,13,458</b>	<b>100.00</b>

- d) None of the Directors and the Key Managerial Personnel including their relatives are interested or concerned in passing of the aforesaid resolution except to the extent of their shareholding in the company.

**ITEM NO. 6**

**Shifting of registered office from the state of Punjab to the state of Gujarat and Alteration of Memorandum of Association:**

Presently the Company's Registered Office is situated in the state of Punjab. Further, the Company is in the business of trading activities for which more potential is seen in the Gujarat. Moreover majority of the directors and members of the Company are also based at Gujarat. Therefore, it is very difficult to co-ordinate the matters from Kolkata to discharge the statutory obligations related to the registered office.

And since the state of Gujarat is a very advance state in the industrialization of business and has a potential market , therefore if the registered office of the Company is shifted to Gujarat, it shall help to carry on the business activities more economically and efficiently and also help to enlarge the area of its business operations.

The Board considered that in terms of the provisions of section 13(4) of the Companies Act, 2013, the registered office of the Company may be shifted from one state to another by way of approval of the members with special resolution and confirmation of the Company Law Board/Central Government.

None of Director and KMPL is interested in above resolution.

**Date : 12/06/2020**  
**Place : Ludhiana**

**By order of Board of Directors**

**Sd/-**

**Karan Bairwa**  
**Managing Director**  
**DIN:08026123**

**ANNEXURE TO NOTICE**

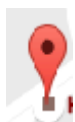
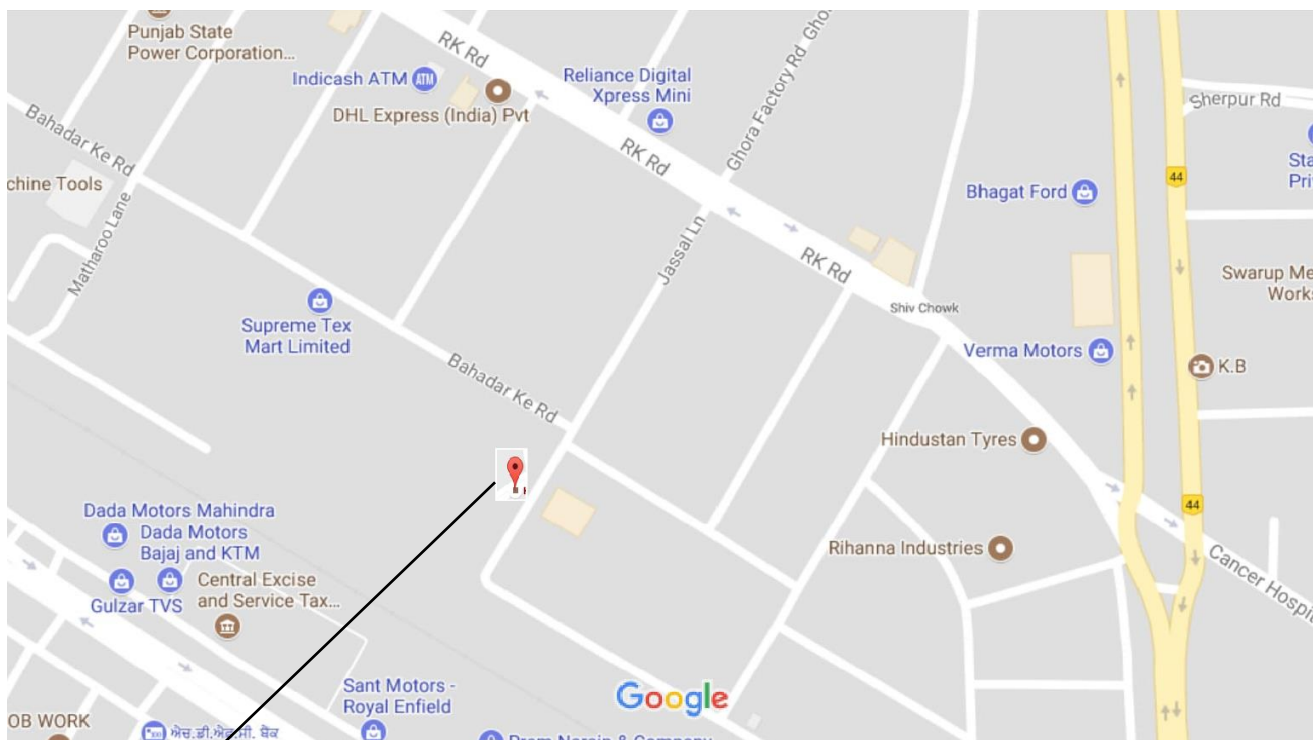
**(Details of Directors seeking Appointment/Re-appointment)**

Name of Director	Mr. Karan Bairwa	Akshay Hiteshkumar Soni
Director Identification number (DIN)	08026123	08202654
Date of Birth	23.05.1995	03.06.1997
Nationality	Indian	Indian
Date of appointment on board	01.01.2018	26.02.2020
Qualification	Graduate	Graduate
Brief Profile	3 years Experience in Marketing	2 years Experience in the trading of Jewellery Business
Shareholding in the company	NIL	NIL
Directorship held in public limited company	NIL	Yes 1. Kenrik Industries Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship committees across public companies	NIL	Yes

There are no inter-se relationships between the Board Members.



## **ROUTE MAP TO AGM VENUE**



### **Address :-**

**KANSAL FIBRES LTD  
E-10/7586/A, Opp. Lane Pooja Intl.,  
Bahadur Kay Road,  
Dana Mandi , Ludhiana ,  
Punjab ,141008**

## **DIRECTORS' REPORT**

To,  
The Members  
**KANSAL FIBRES LIMITED**

The Directors' present the Annual report on the business and operations of your Company for the year 2019-2020.

### **FINANCIAL PERFORMANCE OF THE COMPANY:**

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Revenue from Operations	---	45,47,000
Other Income	---	---
Total Revenue	---	45,47,000
Less: Total Expenditure ( including Change in Inventories)	16,47,699	45,19,110
Profit Before Tax	(16,47,699)	27,890
Less: Tax expense/ Deferred tax liability	---	---
Profit after Tax	(16,47,699)	27,890
Earnings Per Share	(0.29)	0.00

During the year under review Company has incurred loss of Rs. 16,47,699. After making all necessary provisions for current year and after taking into account the current year net profit and total provisions for taxation, the surplus carried to Balance Sheet is Rs. (16,47,699).

### **NATURE OF BUSINESS :**

The Company is engaged in the trading of textile material on retail basis. There was no change in the nature of the business of the Company during the year under review.

### **REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES :**

The Company does not have Subsidiaries, Associate and Joint Venture Companies. Hence, details for the same are not required to mention here.

### **TRANSFER TO RESERVES :**

The Company has not transferred any amount to reserves.

### **DIVIDEND :**

In view of losses, your Directors do not recommend any dividend during the year.

### **SHARE CAPITAL :**

The paid up Equity Share Capital as on March 31, 2020 was Rs. 56,729,000.

### **A) Issue of equity shares with differential rights:**

During the year under review, the Company has not issued any shares with differential voting rights.

**B) Issue of sweat equity shares**

During the year under review, the Company has not issued any sweat equity shares.

**C) Issue of employee stock options**

During the year under review, the Company has not issued any sweat equity shares.

**D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees**

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

**FINANCE :**

Company has not borrowed any Loan from Bank or Financial Institution during the year under review.

**FIXED DEPOSITS :**

The Company has not accepted or renewed any deposits during the year. There are no outstanding and overdue deposits as at 31<sup>st</sup> March, 2020.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :**

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

**EMPLOYEE RELATIONS :**

Employee relations throughout the Company were harmonious. The Board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the Company's vision and strategy to deliver good performance.

**RISK MANAGEMENT POLICY :**

Risk management is embedded in your company's operating framework. Your company believes that managing risk helps in maximizing returns. The company's approach to addressing business risk is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the company is exposed to are:

**Commodity Price Risks:**

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The company proactively manages these risks through forward booking. Inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigation the impact the impact of price risk on finished goods.

### **Regulatory Risks**

The company is exposed to risks attached to various statutes and regulations including the company Act. The company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

### **Human Resources Risks**

Retaining the existing talent pool and attracting new talent are major risks. The company has initiated various measures including rolling out strategic talent management system, training and integration of learning and development activities.

### **Strategic Risks**

Emerging businesses, capital expenditure for capacity expansion, etc., are normal strategic risk faced by the company. However, the company has well-defined processes and procedures for obtaining approvals for investments in new business and capacity expansion etc.

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

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

### **DIRECTORS :**

#### **a) Changes in Directors and Key Managerial Personnel:**

During the year following Changes made in the Directors and Key Managerial Personnel:

Mr. Karan Bairwa will retire at the forthcoming Annual General Meeting of the Company and being eligible, offer himself for reappointment.

Mr. Akshay Hiteshkumar Soni was appointed as an Independent director by the Board of the Company w.e.f. 26/02/2020.

Mr. Mayur Manubhai Shah, director of the company died on 23/02/2020 and therefore, necessary forms were filed with the Registrar of Companies for his resignation from the directorship .

Mr. Parth A. Patel resigned from the Post of Company Secretary cum compliance officer of the Company w.e.f. 30.01.2020

#### **b) Declaration by an Independent Director(s) and reappointment, if any**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### **c) Formal Annual Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual

performance evaluation of its own performance, the directors individually as well as the

evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**d) Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

**e) Number of Meetings of the Board of Directors and Audit Committee**

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. The schedule of the Board/Committee meetings to be held in the forthcoming financial year is being circulated to the Directors in advance to enable them to plan their schedule for effective participation in the meetings.

During the year the Company has held 07 (Seven) Board Meetings as against the minimum requirement of 04 meetings. The meetings were held on 25/05/2019, 13/08/2019, 03/09/2019, 13/11/2019, 30/01/2020, 13/02/2020, 26/02/2020.

**PARTICULARS OF EMPLOYEES :**

None of the employees of the Company drew remuneration of Rs. 60,00,000/- or more per annum / Rs. 5,00,000/- or more per month during the year. Hence, no information is required to be furnished as required under Rule, 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis; and

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **RELATED PARTY TRANSACTIONS:**

There is no related party transactions made during the year under review.

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

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

### **AUDITORS :**

#### **A. Statutory Auditors**

The Company's Auditors, M/s. Vishves A Shah & Co., Chartered Accountants, Ahmedabad retire at the ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of one year from the conclusion of this Annual General Meeting [AGM] till the conclusion of next AGM.

#### **B. Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s A. Santoki & Associates Company Secretaries, to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report for financial year 2019-20 issued by **M/s. A. Santoki & Associates, (Mr. Ajit M. Santoki)** Practicing Company Secretaries has been attached with this Report.

### **INTERNAL AUDIT & CONTROLS :**

Though the Company has not appointed any chartered accountant as internal auditor, the accounting and other system have been designed in such a manner that review of entire process for safeguarding the assets of the company, its operational efficiency, effectiveness of the systems are taken care of properly.

Moreover, it is to be noted that the quantum of the day to day transactions as well as turnover are of small size and hence, internal auditor have not been appointed.

### **CORPORATE GOVERNANCE CERTIFICATE AND MANAGEMENT DISCUSSION & ANALYSIS :**

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be annexed with the report.

The Management Discussion and Analysis and Report on Corporate Governance forms part of this Annual Report for the year ended 31st March, 2020.

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

The Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, pursuant to Section 134 of the Companies act 2013 read with the Companies (Account) Rules, 2014 are as follow.

1.	Conservation of Energy	Nil
2.	Technology Absorption	Nil
3.	Foreign Exchange Earnings and Outgo	Nil

**CORPORATE SOCIAL RESPONSIBILITY (CSR) :**

Corporate Social Responsibility is Not Applicable to the Company.

**HUMAN RESOURCES :**

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

**EXTRACT OF THE ANNUAL RETURN :**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT- 9.

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND :**

The Company does not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There is no any Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE :**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the year under review.

**DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS :**

The Company has adequate of internal financial controls with reference to the Financial

Statements during the year under review.

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

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

**LISTING WITH STOCK EXCHANGES :**

Companies Shares are Listed on BSE Limited.

**ACKNOWLEDGMENT :**

The management is grateful to the government authorities, Bankers, Vendors for their continued assistance and co-operation. The directors also wish to place on record the confidence of members in the company.

**Date : 12/06/2020  
Place : Ludhiana**

**By order of Board of Directors**

**Sd/-**

**Karan Bairwa  
Managing Director  
DIN:08026123**



**Form MGT- 9 EXTRACT OF ANNUAL RETURN  
As on period year ended on 31.03.2020**

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

CIN:-	L17116PB1994PLC014457
Name of the Company	KANSAL FIBRES LTD.
Registration Date	20/04/1994
Category of the Company	Company Limited by Shares
Sub-Category of the Company	India Non-Government Company
Register office Address :	E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi Ludhiana -141008
Corporate Office	2283/b, 2 <sup>nd</sup> Floor, Ser.No.3630, Khadayta ni Khadki, Raipur, Ahmedabad, Gujarat – 380001
Contact Detail	09824055589
Listed Stock Exchange	Yes Bombay Stock Exchange (BSE)
Registrar and Transfer Agent :	SKYLINE FINANCIAL SERVICES PRIVATE LTD. Add: D-153/A, 1 <sup>st</sup> Floor, Phase I, Okhla Industrial Area, New Delhi, Delhi – 110020

**Principal Business Activities of the Company:**

Short description of the principal product.

Sr	Name and Description of main product/services	NIC Code of the Product / Service	% to total turnover of the Company
1	Trading of textile material on retail basis	46695	100%

**Particulars of Holding, Subsidiary and Associate Company :**

Sr. No	Name and address of the company	CIN/GLN	Holding/ subsidiary/ associate	% of shares held	Applicable section
1	NONE	N.A.	NONE	N.A.	N.A.

## Shareholding Pattern

### i. Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31- March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
b) Central Govt	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
c) State Govt(s)	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
d) Bodies Corp.	NIL	1543100	1543100	27.20	NIL	1543100	1543100	27.20	NIL
e) Banks /FI	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
f) Any other	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
<b>Total shareholding of Promoter (A)</b>	<b>NIL</b>	<b>1543100</b>	<b>1543100</b>	<b>27.20</b>	<b>NIL</b>	<b>1543100</b>	<b>1543100</b>	<b>27.20</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	200000	NIL	200000	3.53	200000	NIL	200000	3.53	NIL
b) Banks / FI	NIL	NIL	NIL	NA	NIL	NIL	NIL	NA	NIL
c) Central Govt.	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
d) State Govt(s)	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
e) Venture Capital Funds	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
f) Insurance Companies	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
g) FIIs	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
h) Foreign Venture Capital Funds	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
i) Others (specify)	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
<b>Sub-total (B)(1)</b>	<b>200000</b>	<b>NIL</b>	<b>200000</b>	<b>3.53</b>	<b>200000</b>	<b>NIL</b>	<b>200000</b>	<b>3.53</b>	<b>NIL</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA

ii) Overseas	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
b) Individuals									
i) Individual shareholders holding nominal Share capital upto Rs. 2 lakh	109000	2177900	2352700	40.31	128800	2173700	2302500	40.59	0.28
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	252200	1283500	1535700	27.07	830800	692300	1523100	26.85	(0.22)
c) Others (specify)	4400	37000	41400	0.73	5700	98500	104200	1.84	1.11
Non Resident Indians	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
Overseas Corporate Bodies	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
Foreign Nationals	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
Bodies Corporate	2400	102000	104400	1.84	4700	97700	102400	1.81	(0.03)
Clearing Members	1000	NIL	1000	0.02	NIL	NIL	NIL	NIL	(0.02)
Trusts	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
Foreign Bodies – DR	NIL	NIL	NA	NA	NIL	NIL	NA	NA	NA
HUF	1000	800	1800	0.03	1000	800	1800	0.03	NIL
<b>Sub-total (B)(2):-</b>	<b>365600</b>	<b>3564200</b>	<b>3929800</b>	<b>69.27</b>	<b>965300</b>	<b>2964500</b>	<b>3929800</b>	<b>69.27</b>	NIL
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>565600</b>	<b>3564200</b>	<b>4129800</b>	<b>72.80</b>	<b>1165300</b>	<b>3564200</b>	<b>4129800</b>	<b>72.80</b>	<b>NIL</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>NIL</b>	<b>NIL</b>	<b>NA</b>	<b>NA</b>	<b>NIL</b>	<b>NIL</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

<b>Grand Total (A+B+C)</b>	<b>565600</b>	<b>5107300</b>	<b>5672900</b>	<b>100</b>	<b>565600</b>	<b>5107300</b>	<b>5672900</b>	<b>100</b>	<b>Nil</b>
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### **Shareholding of Promoters**

S N	Shareholder's Name	Shareholding at the beginning of the year [01- 04-2019]			Share holding at the end of the year [31-03-2020]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	<b>Laxmi Edifice Private Limited</b>	<b>1543100</b>	<b>27.20</b>	---	<b>1543100</b>	<b>27.20</b>	---	<b>NIL</b>
	<b>TOTAL</b>	<b>1543100</b>	<b>27.20</b>	---	<b>1543100</b>	<b>27.20</b>	---	<b>NIL</b>

### **I. Change in Promoters' Shareholding** (please specify if there is no change)

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<b>1543100</b>	<b>27.20</b>	<b>1543100</b>	<b>27.20</b>
	Date wise Increase / Decrease in Promoters Share holding during theyear specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>At the end of the year</b>	<b>1543100</b>	<b>27.20</b>	<b>1543100</b>	<b>27.20</b>

Note : Here there is no change in shareholding of the Promoter during the year.

### **IV. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Paresh G. Patel				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Increase / Decrease in Share holding during the year	214800	3.79	214800	3.79
	At the end of the year	214800	3.79	214800	3.79
2.	Baroda Pioneer Growth Fund				
	At the beginning of the year	200000	3.53	200000	3.53

	Increase / Decrease in Share holding during the year	Nil	N.A.	Nil	N.A.
	At the end of the year	200000	3.53	200000	3.53
3.	Pratiksha Tayde				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Increase / Decrease in Share holding during the year	155700	2.74	155700	2.74
	At the end of the year	155700	2.74	155700	2.74
4.	Chandrikaben Saija				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Increase / Decrease in Share holding during the year	150000	2.64	150000	2.64
	At the end of the year	150000	2.64	150000	2.64
5.	Sunil Laxminarayan Jha				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Increase / Decrease in Share holding during the year	147400	2.60	147400	2.60
	At the end of the year	147400	2.60	147400	2.60
6.	Sunil Lamba				
	At the beginning of the year	131600	2.32	131600	2.32
	Increase / Decrease in Share holding during the year	Nil	N.A.	Nil	N.A.
	At the end of the year	131600	2.32	131600	2.32
7.	Binal Naginbhai Patel				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Increase / Decrease in Share holding during the year	121100	2.13	121100	2.13
	At the end of the year	121100	2.13	121100	2.13
8.	Sandip Kantilal Khatri				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Increase / Decrease in Share holding during the year	72100	1.27	72100	1.27
	At the end of the year	72100	1.27	72100	1.27
9.	V A Mehta				
	At the beginning of the year	65800	1.16	65800	1.16
	Increase / Decrease in Share holding during the year	Nil	N.A.	Nil	N.A.
	At the end of the year	65800	1.16	65800	1.16
10.	Money Growth Investment Consultant				
	At the beginning of the year	65800	1.16	65800	1.16

Increase / Decrease in Share holding during the year	Nil	N.A.	Nil	N.A.
At the end of the year	65800	1.16	65800	1.16

**V. Shareholding of Directors and Key Managerial Personal:**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1	Karan Bairwa				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase	Nil	N.A.	Nil	N.A.
	Promoters shareholding				
	At the End of the year	Nil	N.A.	Nil	N.A.
2	Bipin Mangaldas Patel				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase	Nil	N.A.	Nil	N.A.
	At the End of the year	Nil	N.A.	Nil	N.A.
3	Kashmira Vijay Khatree				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase	Nil	N.A.	Nil	N.A.
	At the End of the year	Nil	N.A.	Nil	N.A.
4	Akshay Hiteshkumar Soni				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase	Nil	N.A.	Nil	N.A.
	At the End of the year	Nil	N.A.	Nil	N.A.
5	Sandip Kantilal Khatri				
	At the beginning of the year	Nil	N.A.	Nil	N.A.
	Date wise Increase	72100	1.27	72100	1.27
	At the End of the year	72100	1.27	72100	1.27

**Indebtedness**

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

	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
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Indebtedness at the beginning of the financial year				
i. Principal Amount	NIL	7828323	NIL	7828323
Interest due but not paid	NIL	NIL	NIL	NIL
Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>7828323</b>	<b>NIL</b>	<b>7828323</b>
Change in Indebtedness during the financial year				
Addition	NIL	240000	NIL	240000
Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	<b>NIL</b>	<b>240000</b>	<b>NIL</b>	<b>240000</b>
Indebtedness at the end of the financial year				
Principal Amount	NIL	80,68,323	NIL	80,68,323
Interest due but not paid	NIL	NIL	NIL	NIL
Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>80,68,323</b>	<b>NIL</b>	<b>80,68,323</b>

**iv. Remuneration to Managing Director, Whole-time Directors and/or Manager/Executive Director: -**

SN.	Particulars of Remuneration		Total Amount
		Karan Bairwa	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	N.A.	N.A.
2	Stock Option	NIL	N.A.
3	Sweat Equity	NIL	N.A.

4	Commission as % of profit others, specify...	NIL	N.A.
5	Others, please specify	NONE	N.A.
	Total (A)	NIL	N.A.
	Ceiling as per the Act	NONE	N.A.

#### A. Remuneration to the directors

SN.	Particulars of Remuneration				Total Amount
		Kashmira Vijay Khatri	Akshay Hiteshkumar Soni	Bipin Mangaldas Patel	
1	Independent Directors				
	Fee for attending board committee	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors				
	Fee for attending board committee	....	....	....	....
	Commission	....	....	....	....
	Others, please specify	....	....	....	....
	Total (2)	....	....	....	....
	Total (B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL

#### B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS* Parth Patel	CFO Sandip Khatri	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	2,30,000*	N.A.	2,30,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.	N.A.



	- as % of profit	N.A.	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	2,30,000	N.A.	2,30,000

**\*Company Secretary was resigned on 30<sup>th</sup> January 2020.**

**C. Penalties/ Punishment/ Compounding of Offences:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
<i>Penalty</i>	Nil				
<i>Punishment</i>					
<i>Compounding</i>					
<b>B. Directors</b>					
<i>Penalty</i>	Nil				
<i>Punishment</i>					
<i>Compounding</i>					
<b>C. Other Officers in Default</b>					
<i>Penalty</i>	Nil				
<i>Punishment</i>					
<i>Compounding</i>					

**Date : 12/06/2020**  
**Place : Ludhiana**

**By order of Board of Directors**

**Sd/-**

**Karan Bairwa**  
**Managing Director**  
**DIN:08026123**

**Form No. MR-3 SECRETARIAL AUDIT REPORT**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]**

**To,**

**The Members,**

**Kansal Fibres Limited**

**E-10 / 7586 / A, Opp. Lane Pooja Intl., Bahadur Kay Road,**

**Dana Mandi , Ludhiana - 141008.**

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Kansal Fibres Limited** ("the Company"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

**We report that –**

- a. 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.
- b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of the financial statement of the company.
- d. The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- e. 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.

Based on my/our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit.

I/We hereby report that in my/our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/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 2020, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head / groups of Acts, Laws and Regulations as applicable to the Company is as under.

1. Income-Tax Act, 1961;
2. Finance Act, 1944;
3. Labor Laws & other incidental laws related to labor and employees appointed by the Company.

As informed to us by the Management, no any other Law is applicable to the company as company has not carried out any business activities during the period under review

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

- (i) Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I/We further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
3. I/We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I/we further report that** during the audit period, there were no instances of:

- (i) Public / Right / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

**Date : 02/06/2020**  
**Place: AHMEDABAD**

**For, A. Santoki & Associates**  
**Company Secretaries**

**Sd/-**  
**Ajit M. Santoki**  
**M. No. : 4189**  
**COP : 2539**

## **COMMITTEE OF BOARD:**

### **AUDIT COMMITTEE**

#### **a) Brief description of terms of reference:**

Terms of Reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the listing agreements with the Stock Exchanges that inter-alia, include overseeing financial reporting processes, reviewing periodic financial results, financial statements and adequacy of internal control systems with the Management and adequacy of internal audit functions, discussions with the auditors about the scope of audit including the observations of the auditors and discussion with internal auditor on any significant findings.

#### **b) Composition:**

The Audit Committee has been constituted in conformity with the requirements of Section - 177 of the Companies Act, 2013.

As on the end of Financial Year 2019-20, Audit Committee comprises of three Directors as under :

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>
1	Mr. Karan Bairwa	Chairman
2	Mr. Bipin Mangaldas Patel	Member
3	Mr. Akshay Hiteshkumar Soni	Member

During the year under review, the 4 Audit Committee was held during Financial Year 2019-20. The dates on which the said meetings were held on 25/05/2019, 13/08/2019, 13/11/2019 and 13/02/2020.

Minutes of meetings of the Audit Committee are circulated to members of the Committee and the Board is kept apprised.

Members of the Audit Committee have requisite financial and management expertise. The Statutory Auditors, Internal Auditor and the Chief Financial Officer are invited to attend and participate at meetings of the Committee.

### **NOMINATION/REMUNERATION COMMITTEE**

The Nomination/Remuneration committee consists of the following three Directors:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>
1	Mr. Bipin Mangaldas Patel	Chairman
2	Ms. Kashmira Vijay Khatree	Member
3	Mr. Akshay Hiteshkumar Soni	Member

The Nomination/Remuneration committee recommends to the Board the attributes and qualification for becoming a member of the Board. It also recommends the remuneration payable to the Directors, Key managerial personnel and other senior personnel and such other matters as are necessary under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **SHAREHOLDERS COMMITTEE :**

The Board of Directors have constituted a “Share Transfer and Shareholders / Investor Grievance Committee and stakeholders relationship committee” in line with the Listing Agreement, which is responsible for all matters concerning the share transfers, transmissions, issue of duplicate share certificates and attending to the grievance of the shareholders.

The present composition of the Committee is as under: Shareholder’s Committee consists of following Directors

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>
1	Mr. Akshay Hiteshkumar Soni	Chairman
2	Mr. Bipin Mangaldas Patel	Member
3	Mr. Karan Bairwa	Member

During the year under review, Shareholders committee met for following Dates.

The meetings were held on 30<sup>th</sup> April, 2019, 20<sup>th</sup> September, 2019, 15<sup>th</sup> November, 2019 and 13<sup>th</sup> March, 2020.

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issues resolved usually within 15 days except in case of dispute over facts or other legal constraints. During the year complaints were received from SEBI or shareholders were resolved satisfactory. No requests for share transfers are pending except those that are disputed or Sub-judice.

### **Evaluation**

Committee has adopted a formal system of evaluating Board performance as a whole and the contribution of each individual director. An evaluation of Board performance is conducted annually to identify areas of improvement and as a form of good Board management practice. Each member of the Committee shall abstain from voting any resolutions in respect of the assessment of his performance or re-nomination as Director. The results of the evaluation exercise were considered by Committee which then makes recommendations to the Board aimed at helping the Board to discharge its duties more effectively.

### **Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholder Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the

Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**General Body Meeting (Last Three):**

<b>Date</b>	<b>Type</b>	<b>Time</b>	<b>Venue</b>
<b>28/09/2019</b>	<b>AGM</b>	<b>02:00 P.M.</b>	<b>E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana -141008</b>
<b>28/09/2018</b>	<b>AGM</b>	<b>12:00 P.M.</b>	<b>E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana -141008</b>
<b>28/09/2017</b>	<b>AGM</b>	<b>02:00 P.M.</b>	<b>E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana -141008</b>

**Distribution of Shareholding as on March 31, 2020.**

No. of Equity shares held	No of share holders	% of shareholders	No of shares held	% of holding
1-5000	2426	67.04	786100	13.86
5001-10000	699	19.31	501200	8.83
10001-20000	273	7.54	395700	6.98
20001-30000	112	3.09	283600	5
30001-40000	56	1.55	198700	3.5
40001-50000	23	0.64	103800	1.83
50001-100000	2	0.06	13100	0.23
100001 and above	28	0.77	3390700	59.77
<b>Total</b>	<b>3619</b>	<b>100.00</b>	<b>5672900</b>	<b>100.00</b>

**Categories of Shareholders as on March 31, 2020**

	<b>Category</b>	<b>No. of Shares</b>	<b>% of Shares</b>
A	Promoter's Holding		
1	Indian Promoters	1543100	27.20
2	Foreign Promoters	--	--
	Sub total	1543100	27.20
B	Non-Promoters		
3	Institutional Investors		
	A Mutual Funds and UTI	200000	3.53
	B Banks, Financial Inst., Insurance Com. (Central State Gov. Inst. /Non- Gov Inst.)	--	--
	C FIIS	--	--
	Sub total	200000	3.53
4	Others		
	A. Private corporate Bodies	102400	1.84
	B. Indian Public	3825600	67.44
	C. NRIs / Clearing Member/ OCBs/ Trust/ HUF	1800	0.03
	Sub total	3929800	69.27
	<b>GRAND TOTAL</b>	<b>5672900</b>	<b>100</b>

**Date : 12/06/2020****Place : Ludhiana****By order of Board of Directors****Sd/-****Karan Bairwa  
Managing Director  
DIN:08026123**



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Textile Industry contributes nearly 14% of the total Industrial Production of the country and also contributes 5% to the GDP of the country. The country earns about 27% of its foreign exchange through textile export. Considering the slow global economic recovery so far, there is a need to improve competitiveness of the sector in the global market.

Within textile, 'Home Textile' market is estimated at over 10,000 crores. Of this, the organized sector accounts for under 10%. The Home Textile category is expected to grow at 8% p.a. and the share of organized sector is expected to improve.

The emergence of strong modern trade and rapidly growing large format stores is expected to help up gradation of the market and also aid growth of organized sector players.

### **OPPORTUNITIES AND THREATS:**

#### **Opportunities**

- ✓ Abundant availability of Raw Materials.
- ✓ India has significantly lower raw material costs, wastage costs and labor costs when compared to other countries.
- ✓ Greater Investment and Foreign Direct Investment opportunities are available.
- ✓ Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.
- ✓ Strong presence of related and supporting industries.
- ✓ Textile machinery Indian textile machinery manufacturers are able to produce at competitive prices sophisticated machines of higher speed and production capability.
- ✓ The textile industry also gets significant support from the well developed IT capabilities of Indian firms.

#### **Threats**

- × Fragmented structure with the dominance of the small scale sector High power costs.
- × Rising interest rates and transaction costs.
- × Unfriendly labor laws.
- × Logistical disadvantages in terms of shipping costs and time pose serious threats to its growth foreign investments are not coming in as the overall factors influencing the industry are not investment friendly.
- × Geographical Disadvantages.
- × International labor and Environmental Laws.

### **SEGMENT WISE PERFORMANCE:**

The Company has identified its activities as single segment. Hence, the Company's performance is to be viewed as a single segment company operating in textile industry.

### **RECENT TREND AND FUTURE OUTLOOK:**

The textile industry is undergoing a major reorientation towards non-clothing applications of textiles, known as technical textiles, which are growing roughly at twice rate of textiles for clothing applications and now account for more than half of total textile production. Technical

textiles have many applications including bed sheets; filtration and abrasive materials; furniture and healthcare upholstery; thermal protection and blood-absorbing materials; seatbelts; adhesive tape, and multiple other specialized products and applications.

While the year 2018-19 was not a rewarding period from business perspective, few positives could be derived out of the operation such as efforts toward energy conservation, maintaining a reasonably healthy capacity utilisation compared to the industry average, an improved gross realisation and stable top line compared to previous year. With our sustained efforts in these fronts coupled with anticipated improved demand and higher capacity utilization, we expect the business to improve and become profitable. This will further be aided by your Company's focus on specialty fibers, innovative product mix and long term measures for cost reduction by converting fuel from RLNG to coal.

#### **RISKS AND CONCERNS:**

High inflation could adversely impact the domestic demand, especially since the 'Home Category' is considered as 'non-essential' in the family's consumption basket. Aggressive competition by new players, who wish to enter the category pose a risk of the Company losing its market share. The conversion cost could sharply escalate with severe energy price rise as well as increased labor cost due to hike in minimum wages.

The Company will focus on contemporary designs, better value proposition in the product basket through continuous innovation and on cost management to mitigate the risks. We will also strive to widen the customer base in the exports business to address the challenges in the market.

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

The Company maintains adequate internal control systems, which provide among other things reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets.

The Internal Auditors have introduced several objective tools to assess strengths of our internal controls as also, identify areas where it need to be further strengthened. The scope and authority of the Internal Audit are well defined in the internal audit charter, approved by the Audit Committee. Internal audit plays a key role in providing an assurance to the Board of Directors of adequate internal control system. The audit committee at its meetings reviewed the reports of the internal auditors as well as the Risk Management process of the Company.

#### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The financial performance of the Company for the year 2018-19 is described in the Directors' Report under the head 'Financial Performance of the Company'.

#### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT:**

Your Company has undertaken certain employees' development initiatives which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out etc. Functional training and employee engagement was given adequate weightage during the year to enhance employee productivity and morale. Re-training on occupational, health, safety and environment were carried out in both the manufacturing facilities to improve awareness.

**CAUTIONARY STATEMENT:**

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

**Date : 12/06/2020**  
**Place : Ludhiana**

**By order of Board of Directors**

**Sd/-**

**Karan Bairwa**  
**Managing Director**  
**DIN:08026123**

## **CERTIFICATE ON FINANCIAL STATEMENTS**

**To,  
The Members,  
Kansal Fibres Limited**

**We, have hereby certify that:**

1. We have reviewed the financial statements and the cash flow statements of Kansal Fibres Limited for the financial year 2019-20 and to the best of our knowledge and belief, we state that:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a. significant changes in internal control over financing reporting during the year;
  - b. significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
  - c. that there were no instances of significant fraud that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**Date : 12/06/2020  
Place : Ludhiana**

**By order of Board of Directors**

**Sd/-**

**Karan Bairwa  
Managing Director  
DIN:08026123**

**ANNUAL CERTIFICATE UNDER SEBI (LISTING OBLIGATION AND DISCLOSURE  
REQUIREMENTS) REGULATIONS, 2015.**

I, Karan Bairwa, Managing Director of the Kansal Fibres Limited declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the year ended **31<sup>st</sup> March 2020**.

**Date : 12/06/2020**  
**Place : Ludhiana**

**By order of Board of Directors**

**Sd/-**

**Karan Bairwa**  
**Managing Director**  
**DIN:08026123**

# VISHVES A. SHAH & CO.

Chartered Accountants

316, Abhishek Plaza, B/h. Navgujarat College,

Income Tax, Ahmedabad – 380058

Ph. +91 98254 71182, +91 93777 71182

E-Mail: vishvesca@gmail.com

## INDEPENDENT AUDITOR'S REPORT

To the Members of **KansalFibres Limited**

**Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the financial statements of Kansal Fibres ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, (*statement of changes in equity*) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Due to outbreak of COVID-19 globally and in India, the company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on its operations. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal sources of information and market base intelligence to arrive at its estimate.

## **Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure B**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- (g) 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:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date : 28<sup>th</sup>May, 2020  
Place : Ahmedabad

**For, Vishves A. Shah & Co.**  
Chartered Accountants  
Firm No.121356w

Sd/-

(Vishves A. Shah)  
Partner  
M. No. 109944  
UDIN:20109944AAAABU5405

**“Annexure A” to the Independent Auditor’s Report of even date on the Financial Statements of KANSAL FIBRES LIMITED**

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

We have audited the internal financial controls over financial reporting of **SA FIBRES LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by ICAI on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial

Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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 over Financial Reporting**

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

### **Opinion**

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

Date :28<sup>th</sup> May, 2020  
Place : Ahmedabad

**For, Vishves A. Shah & Co.**  
Chartered Accountants  
Firm No.121356w

Sd/-

(Vishves A. Shah)  
Partner  
M. No. 109944  
UDIN:20109944AAAABU5405

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

(Referred to in paragraph 1 under the heading 'Report on other Legal & Regulatory Requirement' of our report of even date)

- (i) In Respect of the Company's Fixed Assets:

The Company has no Fixed Assets during the year.

- (ii) In respect of Inventories:

The Company has no Inventory during the year.

- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

- (iv) In our opinion and according to the information and explanations given to us, there are loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and company has complied all the provision relates to the same.

- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act for the business activities carried on by the company.

- (vii) In Respect of Statutory Dues:

- a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues applicable to it with the appropriate authorities.

- b) According to the information and explanation given to us, there are no dues of Income Tax, Sales tax, Service Tax, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable, except as per details below:

Sr. No.	Particular	Amount	Authority
1	TDS Liability under Income Tax Act, 1961	6,599/-	Traces

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and debenture holders. The Company has had no dues to financial institutions and government.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments or term Loans during the year under audit. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and 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 Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Date :28<sup>th</sup> May, 2020

Place : Ahmedabad

**For, Vishves A. Shah & Co.**

Chartered Accountants

Firm No.121356w

Sd/-

(Vishves A. Shah)

Partner

M. No. 109944

UDIN: 20109944AAAABU5405



**KANSAL FIBRES LIMITED**  
Balance Sheet as at March 31, 2020

(Amount in INR)

	Particulars	Note No.	As at March 31, 2020		As at March 31, 2019	
<b>I</b>	<b>ASSETS</b>					
	<b>Non-current assets</b>					
	(a) Property, Plant and Equipment		-		-	
	(b) Capital work-in-progress		-		-	
	(c) Investment Property		-		-	
	(d) Goodwill		-		-	
	(e) Other Intangible assets		-		-	
	(f) Intangible assets under development		-		-	
	(g) Biological Assets other than bearer plants		-		-	
	(h) Financial Assets					
	(i) Investments	14	-		-	
	(ii) Trade receivables	15	-		-	
	(iii) Loans	16	-		-	
	(iv) Others (to be specified)		-		-	
	(i) Deferred tax assets (net)		-		-	
	(j) Other non-current assets	17	-		-	
			-		-	
<b>II</b>	<b>Current assets</b>					
	(a) Inventories		-		-	
	(b) Financial Assets					
	(i) Investments	18	-		-	
	(ii) Trade receivables	15	-		-	
	(iii) Cash and cash equivalents	19	100,734		168,433	
	(iv) Bank balances other than (iii) above	19	-		-	
	(v) Loans	20	-		-	
	(vi) Others (to be specified)		-		-	
	(c) Current Tax Assets (Net)		-		-	
	(d) Other current assets	21	-		-	
			-		-	
	<b>Total Assets</b>			<b>100,734</b>		<b>168,433</b>
				<b>100,734</b>		<b>168,433</b>
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	<b>EQUITY</b>					
	(a) Equity Share capital	2	56,729,000		56,729,000	
	(b) Instruments entirely equity in nature		-		-	
	(c) Other Equity	3	(66,287,089)		(64,639,390)	
			(9,558,089)		(7,910,390)	
	<b>LIABILITIES</b>					
	<b>Non-current liabilities</b>					
	(a) Financial Liabilities					
	(i) Borrowings	4	8,068,323		7,828,323	
	(ii) Trade payables	5	-		-	
	(iii) Other financial liabilities	6	-		-	
	(b) Provisions	7	-		-	
	(c) Deferred tax liabilities (Net)		-		-	
	(d) Other non-current liabilities	8	-		-	
			8,068,323		7,828,323	
<b>II</b>	<b>Current liabilities</b>					
	(a) Financial Liabilities					
	(i) Borrowings	9	1,350,000		-	
	(ii) Trade payables	10	-		-	
	(iii) Other financial liabilities	11	-		-	
	(b) Other current liabilities	12	-		-	
	(c) Provisions	13	240,500		250,500	
	(d) Current Tax Liabilities (Net)		-		-	
			1,590,500		250,500	
	<b>Total Equity and Liabilities</b>			<b>100,734</b>		<b>168,433</b>

As per our separate report of even date  
See accompanying notes to the financial statements  
For, Vishves A. Shah & Co.  
Chartered Accountants  
Firm No:-121356W

For & on behalf of the Board,  
Kansal Fibres Limited

Sd/-  
(Vishves A. Shah)  
Partner  
M. No. 109944  
UDIN:20109944AAAABU5405  
Place : Ahmedabad  
Date : 28th May, 2020

Sd/-  
Managing Director

Sd/-  
CFO

Sd/-  
Director

KANSAL FIBRES LIMITED					
Statement of Profit and Loss for the year ended March 31, 2020					
(Amount in INR)					
	Particulars	Note No.	For the year ended March 31, 2020		For the year ended March 31, 2019
I	Revenue from Operations	23	-		4,547,000
II	Other Income	24	-		-
III	Net gain on de-recognition of financial assets at amortized cost		-		-
IV	Net gain on reclassification of financial assets		-		-
V	<b>Total Income (I+II+III+IV)</b>		-		<b>4,547,000</b>
VI	<b>Expenses</b>				
	Cost of Material Consumed		-		-
	Excise Duty		-		-
	Purchases of Stock-in-Trade	25	-		4,223,260
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	-		-
	Employee Benefits Expenses	27	343,000		211,500
	Finance Costs	28	628		-
	Depreciation and Amortization Expense	29	-		-
	Impairment losses		-		-
	Net Loss on de-recognition of financial assets at amortized cost		-		-
	Net Loss on reclassification of financial assets		-		-
	Other Expenses	30	1,304,071		84,350
	<b>Total Expense (VI)</b>			<b>1,647,699</b>	<b>4,519,110</b>
VII	Profit/(Loss) before Exceptional items and Tax (V - VI)			<b>(1,647,699)</b>	<b>27,890</b>
VIII	Exceptional Items			-	-
IX	Profit Before Tax (VII-VIII)			<b>(1,647,699)</b>	<b>27,890</b>
X	<b>Tax Expense:</b>				
	(a) Current Tax		-		-
	(b) Deferred Tax		-		-
			-		-
XI	Profit for the Period from Continuing Operations (IX - X)			<b>(1,647,699)</b>	<b>27,890</b>
XII	Profit/(Loss) for the Period from Discontinuing Operations			-	-
XIII	Tax Expense of Discontinuing Operations			-	-
XIV	Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)			-	-
XV	Profit for the Period (XI + XIV)			<b>(1,647,699)</b>	<b>27,890</b>
XIV	<b>Other Comprehensive Income</b>				
	(A)(i) Items that will not be reclassified to profit or loss		-		-
	(ii) Income tax relating to items that will not be reclassified to profit and loss		-		-
	(B)(i) Items that will be reclassified to profit or loss to profit and loss		-		-
	(ii) Income tax relating to items that will be reclassified to profit and loss		-		-
			-		-
XVI	<b>Total Comprehensive Income for the period (XV+ XIV) ( Comprising Profit/(loss) and other Comprehensive Income for the period)</b>			<b>(1,647,699)</b>	<b>27,890</b>
XVII	Earnings Per Equity Share (For Continuing Operation) :	31			
	(a) Basic		(0.29)		0.00
	(b) Diluted		(0.29)		0.00
XVIII	Earnings Per Equity Share (For Discontinuing Operation):	31			
	(a) Basic		-		-
	(b) Diluted		-		-
XVIX	Earnings Per Equity Share (For Continuing and Discontinuing Operation):	31			
	(a) Basic		(0.29)		0.00
	(b) Diluted		(0.29)		0.00
	<b>Significant Accounting Policies</b>	1			

As per our separate report of even date  
See accompanying notes to the financial statements  
For, Vishves A. Shah & Co.  
Chartered Accountants  
Firm No.-121356W

For & on behalf of the Board ,  
Kansal Fibres Limited

Sd/-  
(Vishves A. Shah)  
Partner  
M. No. 109944  
UDIN:20109944AAAABU5405  
Place : Ahmedabad  
Date : 28th May, 2020

Sd/-  
Managing Director  
Sd/-  
Director  
Sd/-  
CFO

**STATEMENT OF CHANGES IN EQUITY**

KANSAL FIBRES LIMITED  
(CIN: L17116PB1994PLC014457)

Statement of Changes in Equity for the period ended 31st March, 2020

**A. Equity Share Capital**

(Amounts in INR)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
1st April, 2018		56,729,000.00
31st March, 2019		56,729,000.00
31st March, 2020		56,729,000.00

**B. Other Equity**

(Amounts in INR)

	Reserves and Surplus					Total
	Capital Reserve	Securities Reserve	Premium	Other Reserves (Surplus balance of Profit & loss Account)	Retained Earnings	
<b>Reporting as at 1st April, 2018</b>						
Balance at the beginning of the reporting period	1,139,000.00			(65,806,280.00)		(64,667,280.00)
Changes in accounting policy or prior period errors	-					-
Total Comprehensive Income for the year				27,890.00		27,890.00
Dividends						
Transfer to retained earnings						
Any other change (Written off)						
<b>Balance at the end of 31st March, 2019</b>	<b>1,139,000.00</b>			<b>(65,778,390.00)</b>		<b>(64,639,390.00)</b>
<b>Reporting as at 1st April, 2019</b>						
Balance at the beginning of the reporting period	1,139,000.00			(65,778,390.00)		(64,639,390.00)
Changes in accounting policy or prior period errors						
Total Comprehensive Income for the year				(1,647,699.00)		(1,647,699.00)
Dividends						
Transfer to retained earnings						
Any other change (Written off)						
<b>Balance at the end of the March 2020</b>	<b>1,139,000.00</b>			<b>(67,426,089.00)</b>		<b>(66,287,089.00)</b>

**KANSAL FIBRES LIMITED**  
Notes to financial statements for the year ended March 31, 2020

**Note 2 - Equity Share Capital**

(a) Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised :</b>		
70,00,000 Equity Shares (Previous Year 70,00,000) of Rs. 10/- each	70,00,000	70,00,000
<b>TOTAL</b>	<u><u>70,00,000</u></u>	<u><u>70,00,000</u></u>

<b>Issued, Subscribed and Paid-up :</b>		
56,72,900 Equity Shares (Previous Year 56,72,900) of Rs. 10/- each	56,729,000	56,729,000
Add : Share Forfeited (Current year Trf to Reserve)		
Less : Calls in arrears	-	
<b>TOTAL</b>	<u><u>56,729,000</u></u>	<u><u>56,729,000</u></u>

- (b) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.
- i) The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended 31st March 2020, the Company has not declared any dividend.
- ii) In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

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

Particulars	As at March 31, 2020	As at March 31, 2019
No. of shares at the beginning of the year	5,672,900	5,672,900
Add: Issue of Shares during the year		
Subscriber to the Memorandum	-	-
Private Placement	-	-
	<u>5,672,900</u>	<u>5,672,900</u>
Less: Forfeiture of Shares during the Year	-	
No. of shares at the end of the year	<u><u>5,672,900</u></u>	<u><u>5,672,900</u></u>

(d) Aggregate details for five immediately previous reporting periods for each class of shares

Particulars	As at March 31, 2020	As at March 31, 2019
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	-	-
- No. of shares bought back	-	-

(e) Details of shareholders holding more than 5% shares in the company

No. of Shares held by	As at March 31, 2020		As at March 31, 2019	
	Nos.	%	Nos.	%
Punjab State Industrial Development Corporation	-	-	-	0.00%
Laxmi Edifice Pvt. Ltd.	1,543,100	27.20%	1,543,100	27.20%

- (f) Detailed note on shares reserved to be issued under options and contracts / commitment for the sale of shares / divestments including the terms and conditions.

The company does not have any such contract / commitment as on reporting date.

- (g) Detailed terms of any securities convertible into shares, e.g. in the case of convertible warrants, debentures, bonds etc.

The company does not have any securities convertible into shares as on reporting date.

## KANSAL FIBRES LIMITED

Notes to financial statements for the year ended March 31, 2020

## Note 3 - Other Equity

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(i) Capital Reserve</b>		
As per last Balance Sheet	1,139,000	1,139,000
Add: Additions during the year (Share Forfeiture)	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	<u>1,139,000</u>	<u>1,139,000</u>
<b>(ii) Securities premium account</b>		
Opening balance	-	-
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:	-	-
Closing balance	<u>-</u>	<u>-</u>
<b>(ii) General Reserve</b>		
As per last Balance Sheet	-	-
Add: Transferred from Profit and Loss Account	-	-
Less: Transferred to Profit and Loss Account	-	-
Closing balance	<u>-</u>	<u>-</u>
<b>(iii) Special Reserve</b>	<u>-</u>	<u>-</u>
<b>(iv) Surplus in the Profit &amp; Loss Account</b>		
As per last Balance Sheet	(65,778,390)	(65,806,280)
Add: Profit / (Loss) for the year	<u>(1,647,699)</u>	<u>27,890</u>
Amount available for appropriations	<u>(67,426,089)</u>	<u>(65,778,390)</u>
<b>Appropriations:</b>		
Add: Transferred from reserves	-	-
	<u>-</u>	<u>-</u>
	<u>(67,426,089)</u>	<u>(65,778,390)</u>
<b>TOTAL</b>	<u><b>(66,287,089)</b></u>	<u><b>(64,639,390)</b></u>

Note 4: Non Current Liabilities: Financial Liabilities :  
Borrowing

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(a) Loans From Bank and Financial Institutions</b>		
Secured Loans	-	-
Unsecured Loans	-	-
Term Loan from others	-	-
Secured	-	-
Unsecured	-	-
<b>(b) Loans and advances from related parties</b>		
Secured	-	-
Unsecured	<u>8,068,323</u>	<u>7,828,323</u>
	<u>8,068,323</u>	<u>7,828,323</u>
<b>(c) Other Loan &amp; Advances</b>		
Secured Loans	-	-
Unsecured Loans	-	-
	<u>8,068,323</u>	<u>7,828,323</u>

Note 5: Non- Current Liabilities: Financial Liabilities :  
Payables

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(i) Trade Payable</b>	-	-
<b>(ii) Others</b>	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

Note 6: Non- Current Liabilities: Financial Liabilities :  
Others

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(i) Trade Payable</b>	-	-
<b>(ii) Others</b>	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

KANSAL FIBRES LIMITED

Notes to financial statements for the year ended March 31, 2020

Note 7: Non Current : Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Provision for employee's benefits	-	-
(b) Others (Specify)	-	-
	<u>-</u>	<u>-</u>

Note 8: Other Non- Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
(i)	-	-
(ii)	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

Note 9: Current Liabilities: Financial Liabilities : Borrowing

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Loans repayable on demand		
From banks		
Secured	-	-
Unsecured	-	-
From Other parties	-	-
(b) Loans and advances		
Secured	-	-
Unsecured	1,350,000	-
	<u>1,350,000</u>	<u>-</u>
	<u>1,350,000</u>	<u>-</u>

Note 10: Current liabilities: Financial Liabilities : Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding Dues of Micro, Small and Medium Enterprises	-	-
Outstanding Dues of Other Creditors	-	-
Outstanding Dues of Other Creditors- Related Party	-	-
	<u>-</u>	<u>-</u>

Note 11: Current liabilities: Financial Liabilities : Others

Particulars	As at March 31, 2020	As at March 31, 2019
<b>TOTAL</b>	<u>-</u>	<u>-</u>

Note 12: Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Other Current Liabilities	-	-
<b>TOTAL</b>	<u>-</u>	<u>-</u>

Note 13 - Current Liabilities : Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Audit fees	102,500	112,500
Provision for Internal Audit fees	63,000	63,000
Provision for Accounting fees	75,000	75,000
<b>TOTAL</b>	<u>240,500</u>	<u>250,500</u>

KANSAL FIBRES LIMITED

Notes to financial statements for the year ended March 31, 2020

Note -14 - Non-Current Assets: Financial Assets: Investments

Particulars	As at March 31, 2020	As at March 31, 2019
Investments (At Cost)		
Investment in Equity Instruments		
i) of Subsidiary:		
ii) of other entities:		
Investment in Shares & Securities		
Investment in Equity		
Investment in Mutual Fund		
Fixed Deposit		
	-	-
	-	-

Note -16 - Non Current Assets: Financial assets: Loan

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Capital Advances	-	-
(b) Security Deposits		
Security Deposit	-	-
Office Deposit	-	-
Unsecured Considered good Deposits	-	-
(c) Loans & Advances to Related Parties		
Unsecured considered good	-	-
(d) Other Loans & Advances (Specify Nature)		
Secured, Considered good		
Unsecured Considered good	-	-
Advance From Supplier	-	-
Saba International	-	-
Advance to Staff	-	-
Due from Others	-	-
Doubtful or Bad	-	-
	-	-

Note -17 - Other Non-Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Long Term Trade Receivable		
(b) Others (Specify Nature)		
Preliminary Expenses	-	-
	-	-

Note -18 - Current Assets: Investments

Particulars	As at March 31, 2020	As at March 31, 2019
Current Investments (At lower of cost and fair value)		
Gold and Silver	-	-

KANSAL FIBRES LIMITED

Notes to financial statements for the year ended March 31, 2020

Note 15 - Trade Receivables

(a) Particulars	As at March 31, 2020	As at March 31, 2019
<b>(i) Due for a period exceeding six months</b>		
- Unsecured, considered good	-	-
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
	-	-
<b>(ii) Others</b>		
- Unsecured, considered good	-	-
Other Receivables	-	-
- Doubtful	-	-
Less: Doubtful Debts Writtewn off	-	-
	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

Note 19 - Cash & Cash equivalents

(a) Particulars	As at March 31, 2020	As at March 31, 2019
<b>Cash &amp; Cash Equivalents</b>		
<b>(i) Balances with Banks :</b>		
Bank Accounts	97,273	24,972
<b>(ii) Cash-on-hand</b>	3,461	143,461
<b>(iii) Cheques &amp; Drafts on-hand</b>		
<b>(iv) Others - Stamps on Hand</b>		
<b>(b) Other Bank Balances</b>		
- Margin Money or Security Deposit		
- Repatriation Restrictions		
- Deposit Accounts more than 3 month maturity		
- Deposit Accounts more than 12 month maturity		
<b>TOTAL</b>	<b>100,734</b>	<b>168,433</b>

Note 20 - Current Assets: Financial Assets: Loans

(a) Particulars	As at March 31, 2020	As at March 31, 2019
<b>(i) Security deposits</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
<b>(ii) Inter-corporate deposits</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
<b>(iii) Share Application Money Given</b>		
	-	-
<b>(iv) Advance income tax and TDS - Unsecured, considered good</b>		
	-	-
	-	-
<b>(v) Others</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less: Provision for Doubtful Debts	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

Note 21: Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
	-	-



KANSAL FIBRES LIMITED  
Notes to financial statements for the year ended March 31, 2020

Note 23 - Revenue from Operations

(Amount in INR)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sales	-	4,547,000
TOTAL	<u>-</u>	<u>4,547,000</u>

Note 24 - Other Income

(Amount in INR)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
TOTAL	<u>-</u>	<u>-</u>

Note 25- Purchases

(Amount in INR)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase	-	4,223,260
TOTAL	<u>-</u>	<u>4,223,260</u>

Note 26 - Changes in inventories of finished goods, work in progress and stock in trade

(Amount in INR)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<u>Inventories at the end of the year:</u>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	-
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	-
TOTAL	<u>-</u>	<u>-</u>

Note 27 - Employee Benefit Expenses

(Amount in INR)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salary	343,000	211,500
TOTAL	<u>343,000</u>	<u>211,500</u>

Note 28 - Financial Costs

(Amount in INR)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Bank Chares	628	-
TOTAL	<u>628</u>	<u>-</u>

Note 29 - Depreciation & Amortised Cost

(Amount in INR)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation	-	-
TOTAL	<u>-</u>	<u>-</u>

## KANSAL FIBRES LIMITED

## Notes to financial statements for the year ended March 31, 2020

## Note 30 - Other Expenses

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Accounting Fees	-	15000
Audit Fees	25,000	25000
Sebi Fees	-	-
CDSL Charges	40,000	-
BSE Fees	1,239,071	-
Share Registry Expenses	-	-
Office Expenses	-	44,350
Bank Charges	-	-
<b>TOTAL</b>	<b><u>1,304,071</u></b>	<b><u>84,350</u></b>

## Note 31 - Earnings Per Equity Share

(Amount in INR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	(1,647,699)	27,890
Add/Less: Adjustment relating to potential equity shares		-
Net profit after tax attributable to equity shareholders for	(1,647,699)	27,890
Diluted EPS		
(b) Weighted average no. of equity shares outstanding during the year		
For Basic EPS	5,672,900	5,672,900
(c) Face Value per Equity Share (Rs.)		
For Continuing Operation		
Basic EPS	(0.29)	0.00
Diluted EPS	(0.29)	0.00
For Discontinuing Operation		
Basic EPS	-	-
Diluted EPS	-	-
For Continuing & Discontinuing Operation		
Basic EPS	(0.29)	0.00
Diluted EPS	(0.29)	0.00

## Note:

The figures of the previous year have been re-arranged, re-grouped and re-classified wherever necessary

## KANSAL FIBRES LIMITED

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

Particulars	Year ended 31st March, 2020 Rs.		Year ended 31st March, 2019 Rs.	
	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Tax for the year		(1,647,699)		27,890
<b>Adjustments for :</b>				
Depreciation		-		-
<b>Operating Profit before Working Capital change</b>		(1,647,699)		27,890
<b>Adjustments for :</b>				
Decrease/(Increase) in Receivables	-		445,000	
Decrease/(Increase) in Loans & Advances	-		1,002,945	
Increase/(Decrease) in Payables	-		(2,748,294)	
Increase/(Decrease) in Other Current Liabilities	1,350,000		(404,377)	
Increase/(Decrease) in Provisions	(10,000)	1,340,000	40,000	(1,664,726)
<b>Cash Generated From Operations</b>		(307,699)		(1,636,836)
Income Tax		-		-
<b>NET CASH FROM OPERATING ACTIVITIES Total (A)</b>		(307,699)		(1,636,836)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Non Current Assets Sold	-		-	
Interest Received	-		-	
<b>NET CASH USED IN INVESTING ACTIVITIES Total (B)</b>		-		-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Long Term Borrowing	240,000		1,704,726	
Interest Received	-		-	
Long Term Loans & Advances	-		-	
<b>NET CASH FROM FINANCING ACTIVITIES Total (C)</b>		240,000		1,704,726
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)		(67,699)		67,890
Cash and Cash Equivalents -- Opening Balance		168,433		100,543
Cash and Cash Equivalents -- Closing Balance		100,734		168,433
		-		-
<b>Note: Previous year's figures have been regrouped/rearranged wherever considered necessary.</b>				

As per our separate report of even date

See accompanying notes to the financial statements

For, Vishves A. Shah &amp; Co.

Chartered Accountants

Firm No:-121356W

Sd/-

(Vishves A. Shah)

Partner

M. No. 109944

UDIN:20109944AAAAABU5405

Place : Ahmedabad

Date : 28th May, 2020

For & on behalf of the Board,  
Kansal Fibres Limited

Sd/-

Managing Director

Sd/-

Director

Sd/-

CFO

## FORM MGT-11

**PROXY FORM**

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

<b>Name of Member(s)</b>	
<b>Registered Address</b>	
<b>E-mail id</b>	
<b>Folio No.</b>	
<b>DP Id</b>	
<b>Client Id</b>	

I / We, being the Member(s) holding \_\_\_\_\_ shares of Kansal Fibres Limited, hereby appoint:

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

Email Id \_\_\_\_\_

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

2. Name \_\_\_\_\_  
Address \_\_\_\_\_

Email Id \_\_\_\_\_

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

as my / our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the ANNUAL GENERAL MEETING of the Company to be held on 10<sup>th</sup> July, 2020 at **12.00 P.M** (IST) at the Registered Office: E-10/7586/A, Opp. Lane Pooja Intl, Bahadur Kay Road, Dana Mandi, Ludhiana - 141008 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

**Ordinary business:**

1. Adoption of Financial Statements
2. To appoint a Director of Mr. Karan Bairwa, who retires by rotation, and being eligible offers him for re-appointment.
3. Ratify the Appointment of Statutory Auditors

**Special business:**

4. To Appoint Mr. Akshay Hiteshkumar Soni (DIN: 08202654) as an Independent Director
5. Reduction of Share Capital of the Company
6. Shifting of registered office from the state of Punjab to the state of Gujarat and Alteration of Memorandum of Association

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Re. 1  
Revenue  
Stamp

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

**MGT-12****ATTENDANCE FORM/ BALLOT FORM****(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR E-VOTING)**

Name & Registered Address :  
of the Sole / First Named :  
Member :  
Name of the joint holders :  
Registered Folio No / :  
DP ID No. / Client ID No :  
Number of Shares held :

I / We hereby exercise my / our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual General Meeting on 10<sup>th</sup> July, 2020 at **12.00 P.M** (IST), by conveying my / our assent or dissent to the resolutions by placing tick ( √ ) mark in the appropriate box below:

Sr. No.	Resolutions	No. of Shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
<b>Ordinary Business</b>				
1.	Adoption of Financial Statements			
2.	To appoint a Director of Mr. Karan Bairwa who retires by rotation, and being eligible offers him for re-appointment.			
3.	Ratify the Appointment of Statutory Auditors			
<b>Special business</b>				
4.	To Appoint Mr. Akshay Hiteshkumar Soni (DIN: 08202654) as an Independent Director			
5.	Reduction of Share Capital of the Company			
6.	Shifting of registered office from the state of Punjab to the state of Gujarat and Alteration of Memorandum of Association			

Place :

Date :

.....  
(Signature of the Shareholder/Proxy)

**Note:**

**This Form is to be used for exercising attendance/ voting at the time of Annual General Meeting to be held on , the 10<sup>th</sup> July, 2020 by shareholders/proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.**