



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL

MOL/
August, 6, 2021

BSE Limited Corporate Relationship Department 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, MUMBAI 400001 Scrip Code: 521018	National Stock Exchange of India Limited Listing Department, Exchange Plaza, C-1, Block – G, Bandra-Kurla Complex, Bandra (East), MUMBAI- 400051 Scrip Code: MARALOVER
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Sub: Notice of 32nd Annual General Meeting (AGM) and Annual Report of the Company for the financial year 2020-21.

Dear Sir/Madam,

In terms of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed copy of Notice of the 32nd Annual General Meeting and the Annual Report of the Company for the financial year 2020-21.

The above is also uploaded on the website of the Company www.maraloverseas.com

Please take the same on your record.

Thanking You,

Yours faithfully,
For MARAL OVERSEAS LIMITED


VIRENDRA KUMAR GARG
COMPANY SECRETARY
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Encl.: As above

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PROUD TO BE INDIAN
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Maral Overseas Limited



TRANSFORM
TO
PERFORM

MARAL OVERSEAS LIMITED
ANNUAL REPORT 2020-21

CONTENTS

TRANSFORM TO PERFORM	1
ABOUT THE COMPANY	10
STATEMENT FROM THE CHAIRMAN	12
KEY PERFORMANCE INDICATORS	16
MANAGEMENT DISCUSSION & ANALYSIS	18
CORPORATE INFORMATION	30
DIRECTORS' REPORT	31
CORPORATE GOVERNANCE REPORT	52
FINANCIAL STATEMENTS	76




WHEN THERE IS AN
IMPERATIVE FOR

TRANSFORMATION

SUCCESSFUL ORGANISATIONS
MANAGE THE CHANGE
THOUGHTFULLY BY INVOLVING,
SUPPORTING AND ENGAGING
WITH THEIR EMPLOYEES
THROUGH THE CHANGE,
PARTICULARLY DURING
DIFFICULT TIMES.
AND IN SO DOING,
THEY CREATE AN EXPERIENCE
THAT HELPS THEM TO THRIVE,
DELIGHT CUSTOMERS AND
DELIVER OUTSTANDING



PERFORMANCE.



AT MARAL, WE ARE HAPPY TO STATE THAT IN AN UNCERTAIN YEAR, WE REGISTERED A DECENT PERFORMANCE.

A NET LOSS OF

₹ **15.28** CRORE
IN FY20



TRANSFORMED INTO
A NET
PROFIT OF

₹ **12.53** CRORE
IN FY21



WE TRANSFORMED
OUR GARMENT
BUSINESS FROM
**BEING A
LIABILITY**
TO
DRIVING
PROFITABILITY



When business loss mounted, our management introspected the garment unit's viability, its future....

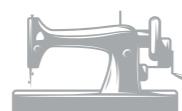
And rightly so. This high-value, high-margin segment of the textile value chain was weighing on the Company's performance.

Of the ₹15.28 Crore loss incurred in FY20 by the Company, the garment division accounted for majority of the losses.

It was definitely our Achilles' heel.

The writing on the wall was clear. Steer around or go under.

We opted for the former.



IT WAS ONE OF THE MOST CHALLENGING TIMES IN OUR JOURNEY, WHERE OUR SURVIVAL WAS QUESTIONED IN MORE WAYS THAN ONE, WE DETERMINED NOT JUST TO SURVIVE, BUT TO SUCCEED AND THRIVE.

WE IMPLEMENTED ONE IMPORTANT MEASURE.

WE CHANGED THE LEADERSHIP AND SENIOR MANAGEMENT TEAM OF THE GARMENT DIVISION; BECAUSE WE REALISE THAT LEADERSHIP MAKES ALL THE DIFFERENCE.

WE TRUSTED THEM TO TRANSFORM THIS LOSS MAKING UNIT INTO A PROFITABLE ONE. AND THIS IS

WHAT THEY DID

One, they pruned the work force of the fence-sitters; while 'go-getters' within the unit were encouraged to do what they do best – drive performance!

Two, we grabbed every business opportunity which allowed us to cover costs and earn something more, with a single objective of maximising capacity utilisation – and ushered in economies of scale!

Three, we looked at the world beyond our in-house unit for securing our fabric requirement to optimise our cost sheet – our input costs dropped!

Four, we worked hard to maximise the utilisation of the fabric by undertaking a threadbare analysis of our material usage and processes – fabric requirement dropped!

Five, we sharpened our focus on enhancing our productivity. We did away with certain processes without compromising on quality. Our man-machine ratio improved – from **1: 2.3** to **1: 2.1**.

Six, we pitched to and successfully added a number of customers in the domestic market to optimise an excessive reliance on international

customers. It ensured that demand was always in excess of supply – it kept us on our toes.

Seven, we allowed winds of change to enter our minds. We outsourced our garmenting needs to an array of players who assured quality and timely delivery – they emerged as the extended arms of Maral.

Eight, we monitored every process, studied every report, analysed deviations real-time as opposed to post-mortem

deliberation in earlier days. In doing so, the team was forced to up their performance quality - defects plummeted.

Nine, we worked hard to deliver on our commitment to customers. We planned better. We remained committed on our schedule. We delivered on time without any emergency delivery expenses. We earned customer trust. Some customers who were about to sever relations, reconsidered their decision; some others multiplied their volumes. It was a win-win.





THE RESULTS WERE PARTICULARLY **SATISFYING**

DESPITE A MARGINAL DIP IN OUR TOPLINE (DUE TO LOCKDOWN IN THE INITIAL STAGES OF COVID-19 IN Q1 OF FY21)

₹ **675.95** CRORE
FY20

₹ **632.02** CRORE
FY21

OUR BOTTOMLINE CHANGED COLOUR

₹ **(15.28)** CRORE
NET PROFIT IN FY20

₹ **12.53** CRORE
NET PROFIT IN FY21

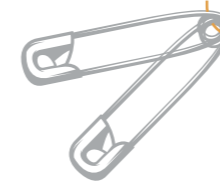
BUSINESS PROFITABILITY TRANSFORMED

(2.26)%
PBT% IN FY20

3.30%
PBT% IN FY21

NOW, WE ARE INVESTING ₹10 CRORE IN A NEW, STATE-OF-THE-ART GARMENTING UNIT THAT IS EXPECTED TO COMMENCE OPERATION IN FY22.

GOING FORWARD IT WILL EMERGE AS THE KEY GROWTH DRIVER FOR THE COMPANY





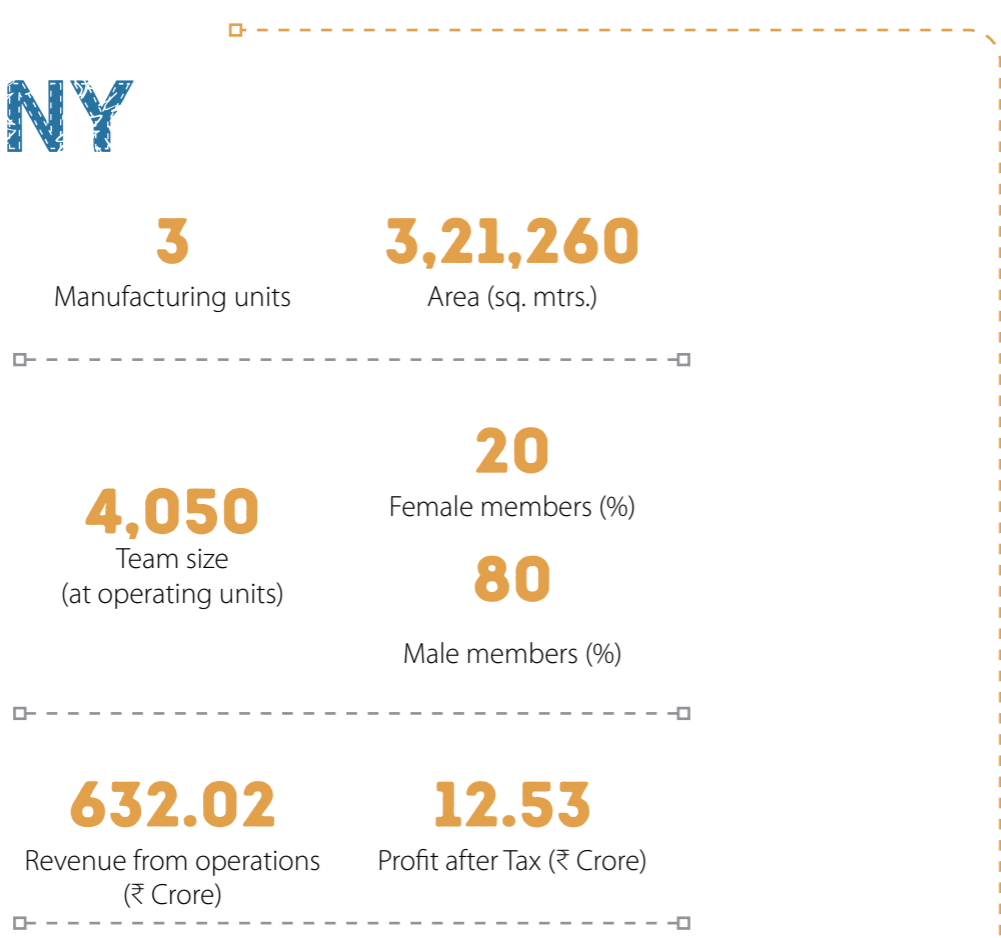
ABOUT

THE COMPANY

Maral Overseas Ltd (Maral), part of the LNJ Bhilwara Group, is one of India's largest vertically integrated textile companies that straddles across the textile value chain.

Set up in 1989 at Maral Sarovar, it is a US\$ 110 million composite company today. Its two ultra-modern units produce 1,700 tons of grey yarn, 250 tons of dyed yarn, 700 tons of knitted fabric and 500,000 pieces of garments every month even as they constantly innovate to diversify and upgrade their products

Supported by its captive power units, the Maral Sarovar plant is ideally located in Central India's cotton heartland 500 km from Mumbai, and its garment factories are in Noida near Delhi.



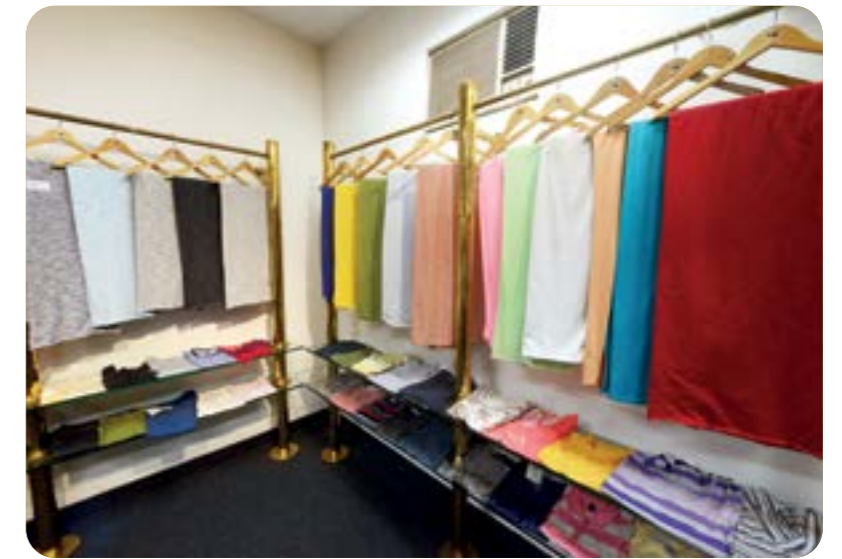
Maral Sarovar unit received the "Achievement Award" for high score of 89% in TGI audit (16% higher than the global average of 73%) and 91% in WCA Audit (13% higher than the global average of 78%). (Achievement Award rules - overall score 85% or above & without Zero Tolerance or Major NCs) during these audits in the month of January 2021.



ABOUT

THE BUSINESS

Maral is engaged in manufacturing of cotton & blended yarn, knitted fabrics, processed fabrics and ready-made garments and has a presence throughout the textile value chain. The company possesses a fully-integrated dye house with a yarn dyeing facility at Sarovar.



Yarn vertical	Fabric vertical	Garment vertical
79,776 Spindles	72 Knitting Machines	810 Machines
18,956.85 Capacity (TPA)	242.88 Capacity (Lakh Mtrs)	4 Lakh Capacity (Pieces/month)
277.29 Revenue (₹ Crore)	195.21 Revenue (₹ Crore)	108.59 Revenue (₹ Crore)
43.87% Proportion to Total Revenue	30.89% Proportion to Total Revenue	17.18% Proportion to Total Revenue

Maral markets its products in the domestic as well as export market. The Company exports its products majorly to Far East & South East Asian Countries, Europe, North America, Gulf and Middle East, Africa etc.

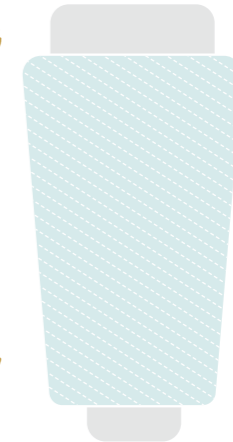
The Company has prudently created a diversified customer base It enjoys tie-ups with various strong apparel global brands.



STATEMENT FROM
MR. SHEKHAR AGARWAL'S DESK



“WE WILL CONTINUE TO SUSTAIN THE MOMENTUM OVER THE COMING YEARS, BUILDING UPON WHAT WE HAVE ACHIEVED THIS FAR AND EXECUTING OUR BLUEPRINT WITH DISCIPLINED DETERMINATION.”



Dear Shareholders,

I hope you and your family are safe. Safety, something which we had completely taken for granted, has become critical especially after the more aggressive and fatal second wave of the pandemic which hit India at its roots. A resilient India has fought back with admirable courage to place the nation firmly on the path to recovery.

FY21 was a year of extremes. For a year, which started with seemingly devastating challenges, ended with the Company registering a satisfactory performance. Despite a marginal dip in revenue compared to the previous year, at the bottomline, we turned around - from the red to the black.

This transpired owing to the transformation in our garment

business. It emerged as an important contributor to business profits. Since this has been touched up in the earlier pages of this document, I would not touch upon it again. So let me take you through our two verticals – yarn and fabrics.

Our yarn business, which is our flagship vertical, continued to perform well. While the first couple of months of FY21 were dull owing to the pandemic and the nationwide lockdown, demand almost suddenly emerged. This was largely owing to two factors 1) pent-up demand in the system owing to an empty pipeline and 2) the anti-China wave across key textile importing nations. The latter had and will continue to support the Indian markets in the current year.

To put things in perspective, China accounts for 50% of the global textile trade. A small diversion to India owing to embargo on China created unprecedented opportunities for the domestic industry.

What worked in our favour was that we were ready when this shift transpired – at the right place, at the right time.

1) We were among the few to start plant operations at the initial unlocking of commercial activities. Our operations and HR teams worked well in getting our people back to work and securing their safety and well-being.

2) We kept a keen eye on the global fabric and garment hubs knowing well that they would be seeking new business partners for sourcing their yarn requirement. In a number of



IN THE CURRENT YEAR, WE ARE INVESTING ABOUT ₹50 CRORE IN OUR VERTICALS. A NEW GARMENTING UNIT SHOULD COMMENCE OPERATIONS IN THE FIRST HALF OF FY22. WE ALSO PLAN TO MODERNISE SOME OF THE AGING EQUIPMENT IN OUR YARN AND FABRIC VERTICALS.

geographies (who until now sourced yarn primarily from China), we had established contacts. We leveraged these relationships to proactively prepare for emerging opportunities. In doing so, we grew our global footprint – from 18 nations in FY20 to 27 nations in FY21; a number of markets were first time entries for Maral.

3) In the domestic market too, there were interesting profitable growth opportunities. For example, there was a sudden surge in demand for organic cotton yarn. Our teams, supply chain, operations and marketing, worked in tandem to make decisive inroads into this segment. It helped the Company reap healthy gains.

The bottomline is that the market gave us opportunities in terms of increased volumes, new markets and robust prices. We remained aware, and agile to maximise the benefit.

The performance of our fabric business remains subdued. This was primarily because the fortunes of the fabric segment across India got squeezed between the rising prices of yarn and the lacklustre ecosystem of garmenters owing to subdued offtake of garments, due to the effects of the pandemic .

While the China factor provided interesting opportunities, Indian fabric manufacturers, including Maral could scarcely capitalise owing to two factors
1) non-competitive cost structures and

2) smaller capacities. Also, the imposition of import duty on imported cotton hurt our business.

As such, we focused on keeping our assets fully utilised to better absorb our fixed costs.

From an operational standpoint, the shopfloor team left no stone unturned to optimise operational cost. On the one hand, significant efforts were put in to reduce the consumption of dyes, chemicals and other utilities; on the other, team members worked in clusters to improve man-machine productivity, reduce conversion losses and quality defects. FY21, for me, is dedicated to team work. Every team put in their best foot forward to make this fiscal a memorable one.

Going forward

We will continue to sustain the momentum over the coming years, building upon what we have achieved this far and executing our strategic blueprint with disciplined determination.

While the start to FY22 was hindered by the second wave of the pandemic, its impact on business activity was relatively lesser. As such, our performance in the first quarter could be impacted by the health emergency that prevailed for about a month. I am optimistic about our performance for FY22.

In the current year, we are investing about ₹50 Crore in our verticals. A new garmenting unit should commence

operations in the first half of FY22. We also plan to modernise some of the aging equipment in our yarn and fabric verticals. Also, we plan to invest in cutting automation solutions for our garment unit which should improve product quality and provide for considerable cost saving.

For the fabric vertical, we plan to revamp our product development cell. This is critical for our success as it will allow us to customise products aligned to the requirements of key international customers. While we will continue to add more customers in the domestic market, we will also work on adding new geographies to our global footprint.

As we continue our journey of being better everyday,

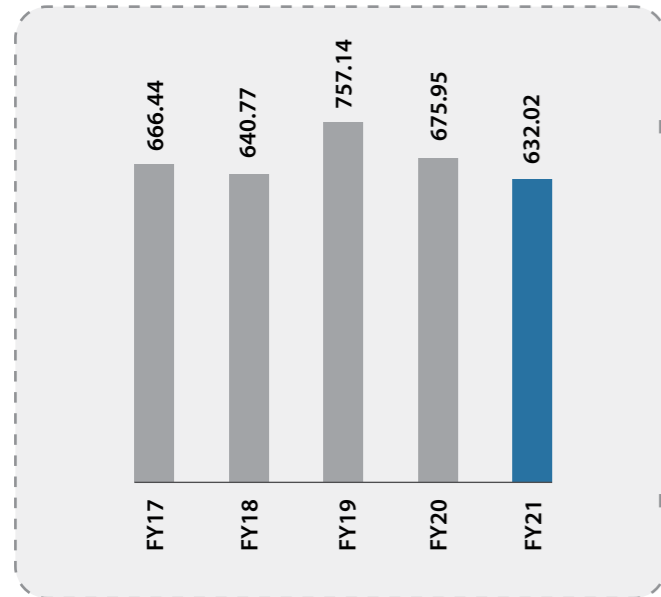
I would like to thank the Board for guiding me to execute my responsibilities in the best possible manner. I would like to extend my gratitude to each and every member of our team for their relentless efforts in making this transformation a gratifying reality. I would also like to thank all our stakeholders, Board, Bankers and the Government authorities for the support and assistance provided throughout our journey. I solicit your continued cooperation.

Warm regards

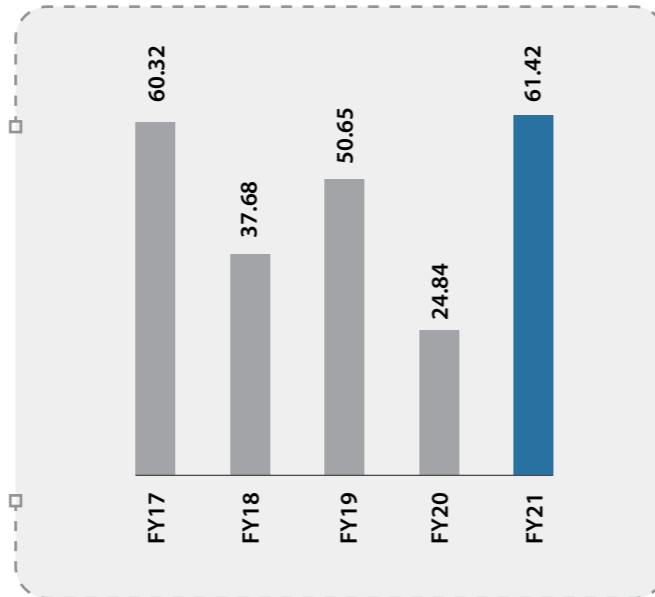
Shekhar Agarwal

Chairman, Managing Director & CEO

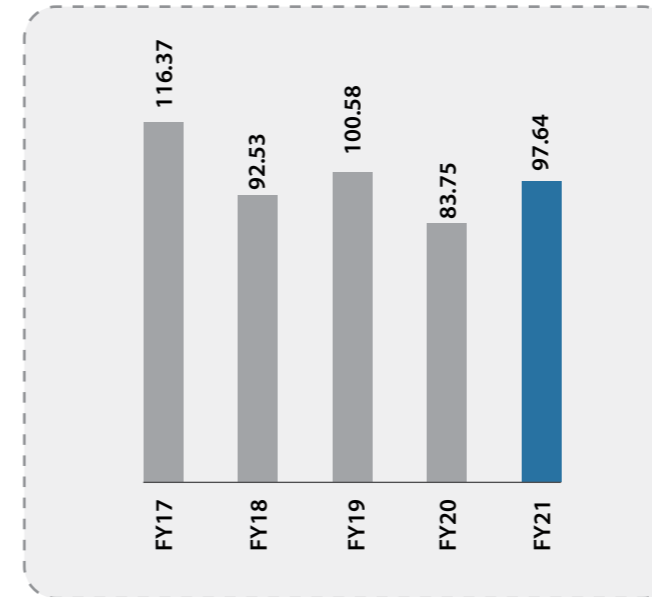
KEY PERFORMANCE INDICATORS



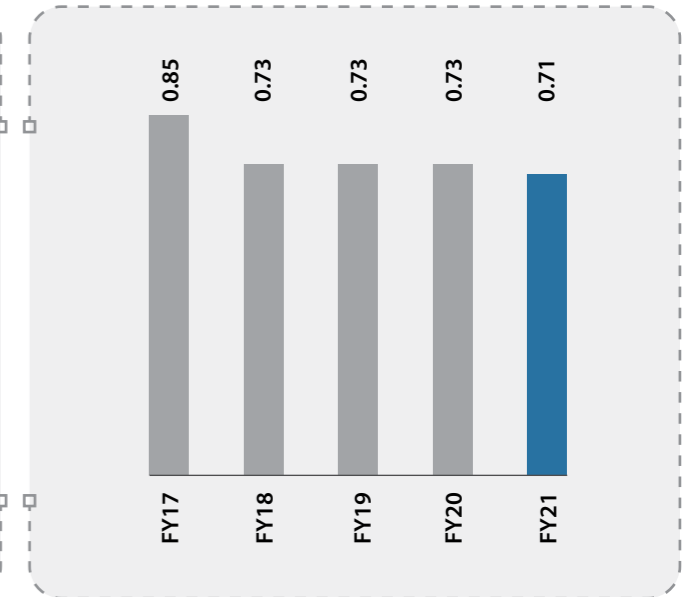
Revenue from Operations (₹ Crore)



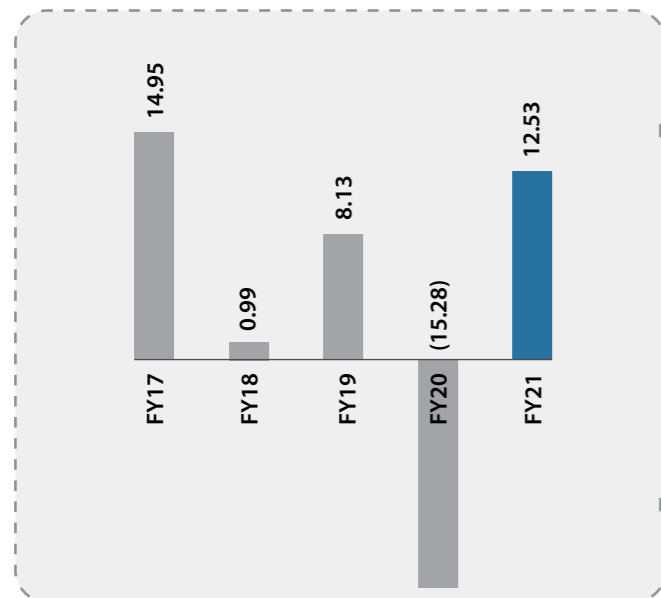
EBITDA (₹ Crore)



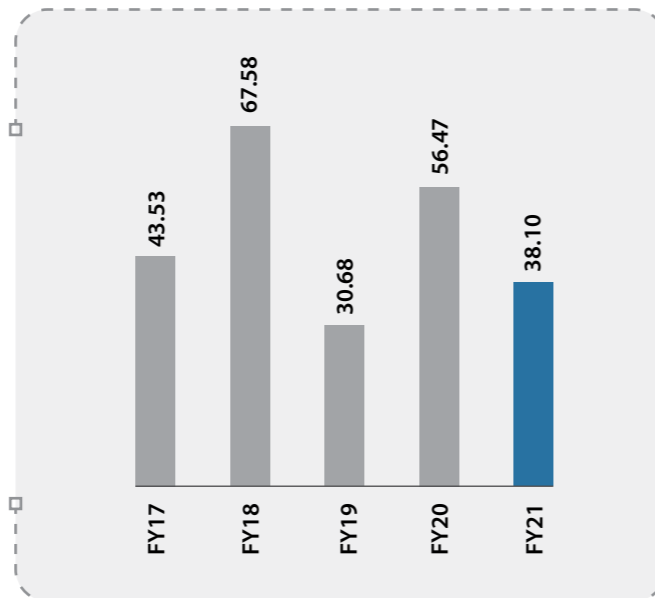
Networth (₹ Crore)



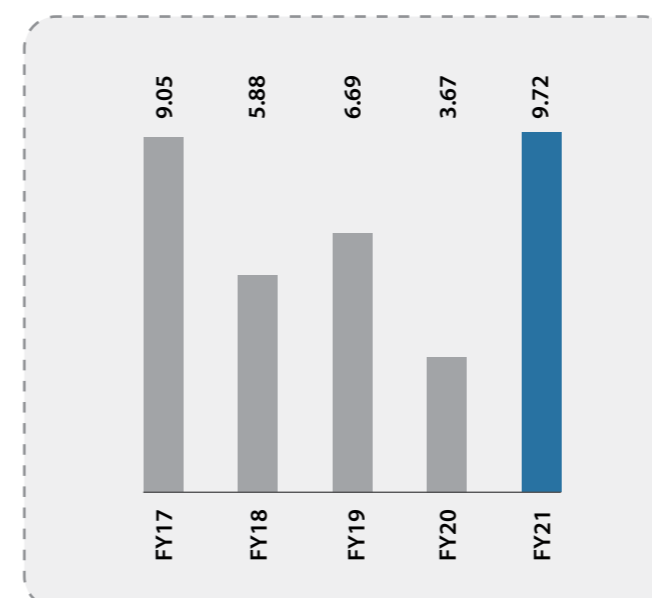
Debt-equity ratio (x)



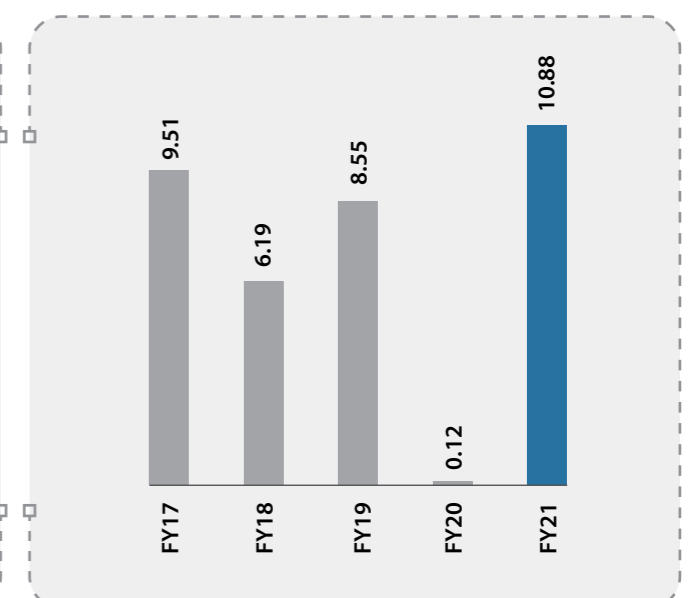
Net Profit (₹ Crore)



Net Cash from Operations (₹ Crore)



EBITDA margin (%)



Return on Capital Employed (%)



MANAGEMENT DISCUSSION AND ANALYSIS

THE OPERATING ENVIRONMENT

World economy: A year since Covid-19 was declared a global pandemic, economies have progressed significantly to move into the positive zone. Advanced economies have reported positive GDP growth in the first half of the 2021 which augurs well for the world.

Unfortunately though, the pandemic has had a significant impact on lives and livelihoods. From an economic perspective, in 2020, World output shrank by 3.3%, significantly lower than the GDP decline in 2009 owing to the Global Financial crisis.

The pandemic hit the developed economies the hardest, with an estimated

output decline of 4.7% in 2020, due to strict and prolonged lockdown measures that were imposed in many European countries and some parts of the United States during the outbreak. The contraction was comparatively milder in the developing countries, with output shrinking by 2.2% in 2020. The aggregate figure masks, however, significant regional variation.

Governments around the world responded rapidly with various fiscal and monetary stimulus packages to reduce the impact on the economy, limited fiscal space and high levels of public debt constrained the ability of many developing countries.

Global growth prospects have improved against the backdrop of rapid vaccination rollouts in a few large economies. Following a sharp contraction of 3.3% in 2020, the global economy is now projected to expand by 6.0% in 2021 and 4.4% in 2022.

While the world economy is treading towards a recovery, the pandemic has shown that sustainable development—promoting inclusive and equitable growth, reducing inequality and enhancing environmental sustainability—can provide safeguards and resilience against future crisis.

Indian economy: FY21 was one of the most unprecedented years in living history for most. A pandemic that brought the economy to a grinding halt, forced Indians to stay confined within their homes and mandated businesses to align with the new reality. The pandemic and subsequent lockdown across India for about a month decelerated India's economic progress.

Although, on a year-on-year basis, India's GDP contracted by 7.3% in FY21 against a 4% GDP growth in FY20, India witnessed an interesting V-curve resurgence.

After a contraction in GDP for the first half of FY21, India recovered smartly to emerge as one of the select few economies

that witnessed positive year-on-year growth in the three month period October-December'20. This growth only strengthened to 1.6% in the fourth quarter of FY21. The improvement was due to calibrated and steady opening of the economy.

A more incisive analysis of the year under review reveals interesting realities. While the first quarter was a complete washout owing to the lockdown and staggered unlocking, the resilient Indian economy registered a sharp rebound with the economy reporting a positive resurgence in Q3 and Q4. Also, GST collections for the last five months of FY21 were in excess of ₹1 Lakh Crore – showcasing healthy business activity.

The external sector exhibited resilience as current account turned surplus for the first time since 2004, on weaker domestic demand, falling oil prices and strength in India's services exports. FDI and equity FII flows were strong, driving India's forex reserves to an all-time high of ~US\$580 billion by the end of FY 2020-21, against ~US\$475 billion by the end of FY 2019-20.

In view of the economic momentum in Q4 of 2020-21, leading opinion makers had estimated a sharp growth in India GDP for 2021-22. But the outbreak of the second wave of Covid-19 in India, these estimates have been revised downwards.

The Government announced successive rounds of stimulus measures to help various segments of the economy deal with the loss of income, business and liquidity caused by the Covid-19 pandemic. The total stimulus along with the measures taken by the RBI to impart liquidity amounted to ₹29.87 Lakh Crore, accounting for 15% of the GDP.



THE BUSINESS SPACE

Global textile and apparel:

Global apparel consumption is expected to reach US\$ 2.6 trillion by 2025-26 from US\$ 1.8 trillion in 2017-18. The industry is experiencing structural changes wherein market share is moving from earlier dominated developed countries like USA, European Union (EU) to destinations like China, South Asia including India, Bangladesh and Vietnam. These developed countries are currently facing challenges on consumption side due to ongoing slowdown in economic growth in the regions while on the other hand, countries such as China, India and other South East Asian countries are experiencing growth.

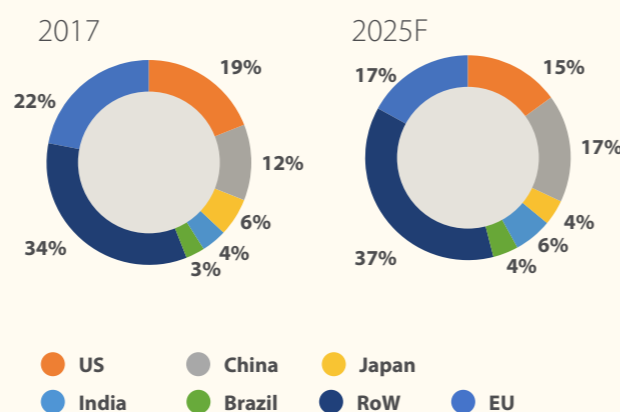
The EU and the US were the largest apparel market in 2017-18 accounting for ~41% share while they are home to just 11% of the world population. However, pressure from demand slowdown is expected to further trim their share in future by passing it to countries like China and India which are expected to grow at a much faster CAGR of 10-11% (2017-2025). Rise in per capita income

will boost demand in both countries with higher economic growth which will in turn result into a combined ~23% share by 2025-26 from ~16% share in 2017-18 in apparel consumption.

On the supply side, global textile and apparel trade is expected to cross US\$ 1 trillion mark in 2025-26 from US\$ 764 billion in 2017-18, growing at a CAGR of 3.4% during the same period. While apparel is the most traded category, holding ~58% share, fabric is the second largest category which accounts for ~19% of total trade. Though

export growth rate has been slow in China lately wherein it is also losing some share in global market, it continues to be the largest exporting nation within textile and apparel industry. This could have helped countries like India, Bangladesh and Vietnam etc. to increase their trade share with similar trajectory, abundance of raw material and the availability of low-cost manpower. Though, with just about 4 to 5% individual share, these countries still need to go very far to reach anywhere near China, which holds ~37% of total textile and apparel exports

Global Apparel Consumption-country wise share



Source: UN Comtrade, Wazir Analysis, Tevisory's Analysis

Indian textile and apparel space:

Textiles is one of the oldest industries in the Indian economy. It not only provides livelihood to millions of households but is a storehouse and carrier of traditional skills, heritage and culture. According to India Brand and Equity Foundation (IBEF), India is one of the world's largest producers of textiles and garments.

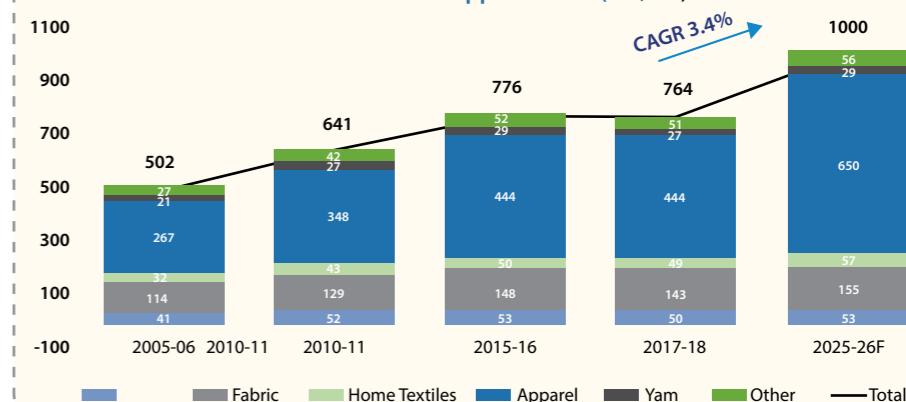
The textile and apparel industry can be broadly divided into two segments – yarn and fibre, and processed fabrics and apparel.

The domestic Indian apparel market can be classified into men's wear, women's wear and kids wear. Men's wear holds the largest share in the apparel market, accounting for 41% of the pie. Women's wear claims around 38%, while kids wear takes the rest 21% of the market.

While India has the advantage of being integrated across the entire value chain in the industry, the value chain is uncompetitive. The organized textile industry is characterised by the use of capital-intensive



Global Textile and Apparel Trade (US\$ bn)



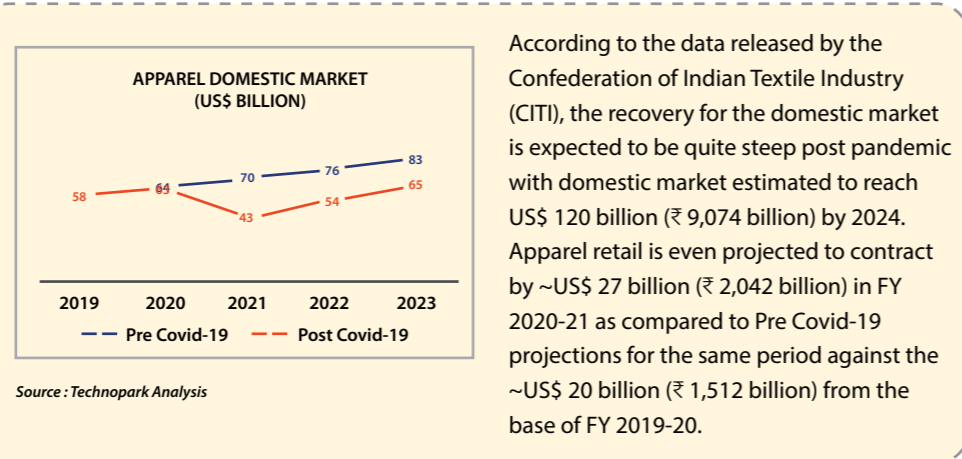
Source: UN Comtrade, Wazir Analysis, Tevisory's Analysis



technology for mass production of textile products and includes spinning, weaving, and processing.

The Indian apparel industry created world history by establishing a ₹7,000-Crore (US\$1 billion) personal protective equipment (PPE) and N95 mask industry in the midst of a pandemic in just two months.

Outlook: India's textile and apparel industry, especially the organised sector, is marked by radical innovation, shifting markets, evolving supply chains and distribution channels and is gradually drifting towards responsible and sustainable manufacturing. Being the second largest in the world, this industry holds immense potential.



According to the data released by the Confederation of Indian Textile Industry (CITI), the recovery for the domestic market is expected to be quite steep post pandemic with domestic market estimated to reach US\$ 120 billion (₹ 9,074 billion) by 2024. Apparel retail is even projected to contract by ~US\$ 27 billion (₹ 2,042 billion) in FY 2020-21 as compared to Pre Covid-19 projections for the same period against the ~US\$ 20 billion (₹ 1,512 billion) from the base of FY 2019-20.

Where Bangladesh scores over India

- 1) Bangladesh's competitiveness is that it is cheaper to produce goods in Bangladesh than in India. According to a working paper titled Automation and Future of Garment Sector Jobs: A Case Study of India written by Pankaj Vashisht and Nisha Rani of ICRIER: "The unit labour cost of producing a cotton shirt in the United States is around US\$7, while the unit labour cost of producing the same shirt in India comes at around 50 cents, whereas in Bangladesh the unit labour cost is only 22 cents.
- 2) According to the Economic Survey of 2019-20: "Bangladesh... [has] more than 80% of market value of exports by large enterprises, India has 80% by small enterprises." Readymade garment exporters in Bangladesh, therefore, have economies of scale. Also, Bangladesh's exports to the European Union and Canada are largely duty-free.
- 3) Rigid laws prevent flexibility in manning for a seasonal industry... India has only three or four garment makers with turnover in excess of \$100 million. Hence, the turnaround time of Indian firms from order to delivery is 63 days. In Bangladesh, this turnaround time is far less at 50 days. Also, it takes only one day for a consignment to reach a port in Bangladesh. In India, it can take as many as 10 days for a consignment to reach a port. All such factors are barriers to creating scale



The Indian spinning sector:

Being the largest cotton producer globally, and the second most populous nation in the world, has enabled India to emerge as one of the largest cotton yarn manufacturer and exporter.

The prospects of the spinning industry are closely aligned to the global textile industry as India exports close to a third of its yarn output to global destinations – China being a key importer of Indian yarn. As such, with the pandemic surging across the globe, the yarn sector was expected to be hit badly.

As per the initial estimates by ICRA, revenue of Indian cotton spinners could decline by 25 % year-on-year in 2020-21 due to Covid-19 pandemic-led disruptions in manufacturing activities and weakness in demand in global as well as domestic markets. This was

owing to the fact that yarn, being an intermediate product, would most likely face a ripple effect of the contraction in demand in the downstream segment.

Also the flareup of geo-political tensions with China was another cause of worry for the Indian spinning sector. But with the unlocking of businesses in a phased manner, the fortunes of the spinning industry improved.

Rural India, the economic engine of India, reported robust demand for garments – casuals and knit wear. With a normal monsoon, agriculture was good leading to considerable disposable income among the rural masses. Also, the impact of the pandemic in rural India (excl. migrant labour issues) was relatively lesser than urban India. But while demand increased, supply remained constrained. This was because

some of the smaller capacities shut operations while some others operated way below their optimum capacity utilisation levels. As a result, yarn prices for all categories skyrocketed. Cotton yarn price jumped owing to high domestic and export demand.

Following the US sanctions on China — India's cotton exports gained traction. As such, India received sizeable orders from Cambodia, Bangladesh and Vietnam among other nations. Hence, while the first quarter of FY21 was a clear washout, the third and fourth quarter ensured that the spinning sector more than made up for the initial losses.

Going forward, industry experts are of the opinion that while yarn prices could settle to more sustainable levels, demand for yarn is expected to remain healthy. This assumption comes with a caveat - the second wave

of Covid which has spread far and wide across the Indian landmass. If lockdowns are initiated to contain the spread, business prospects could take a beating.

The cotton year 2020-21: With good monsoon this year, cotton production in the next season (October 2020 to September 2021) will also be higher. Cotton Association of India (CAI) has estimated that the crop estimate for the 2020-21 season would be 358.50 Lakh bales. The CAI Crop Committee has estimated the total cotton supply till end of the cotton season 2020-21 is at 497.50 Lakh bales. This augurs well for India's spinning sector.

THE BUSINESS & ITS PERFORMANCE

About Maral: Part of the LNJ Bhilwara Group, Maral Overseas is a vertically-integrated textile player that manufactures and markets a wide range of products that span the entire textile value chain – yarns, fabric and garments.

The Company's three manufacturing facilities house sophisticated equipment that manufacture world-class products which are sourced by leading Indian and global textile players and retail brands. While yarn is the flagship product vertical for Maral, the garment division has cemented the Maral brand in the minds of discerning global brands.

Performance: In a year where uncertainty and turmoil ruled large, Maral Overseas registered a turnaround in business fortunes driven by superior performances by the yarn and apparels verticals. The Company achieved a Turnover at ₹632.02 Crore for the year ended 31st March, 2021 against

₹ 675.95 Crore in the previous year ended 31st March, 2020. Further the Company achieved an operational profit of ₹61.42 Crore as against ₹24.83 Crore achieved in the previous year. The Company recorded a Net profit of ₹12.53 Crores against a Net Loss of ₹15.28 Crore reported in the previous year.

While cost management helped in optimising expenses, the teams for all three business divisions remained alert and agile to capitalise on every business prospect, domestic and international. In addition to gaining market share from existing clients, the teams added new customers and entered new geographies which widened potential opportunities.

Change in Return on Net Worth in comparison to the previous year: During the financial year ended 31st March, 2021, the net worth of the Company was ₹97.64 Crore as compared to ₹83.75 Crore

in the previous financial year ended 31st March, 2020. The return on net worth was 12.84% in the financial year ended 31st March, 2021 against (18.24%) in the previous financial year ended 31st March, 2020. The increase in net worth was mainly due to higher profit in the financial year 2020-21.

The Company has earned higher profit due to favourable market conditions from second quarter onwards in the financial year 2020-21 as compared to the losses due to adverse market conditions in the financial year 2019-20.



Key Ratios



	FY21	FY20	% Change	Remarks
Stability Ratios				
Debt equity Ratio (incl. CPTL)	0.49	0.45	8.89	
Debt equity Ratio (excl. CPTL)	0.27	0.24	12.5	
Debt Service Coverage Ratio	1.92	0.66	190.91	Higher profit due to favourable market conditions from second quarter onwards in the FY 2020-21 as compared to losses due to adverse market conditions in the financial year 2019-20.
Interest Coverage Ratio	8.69	2.34	270.21	Higher profit due to favourable market conditions from second quarter onwards in the FY 2020-21 as compared to losses due to adverse market conditions in the financial year 2019-20.
Liquidity Ratios				
Current Ratio (incl. CPTL)	1.09	0.88	23.86	
Current Ratio (excl. CPTL)	1.19	0.94	26.60	Change happened mainly due to lockdown restriction in the last month of previous financial year. Accordingly, the debtors were lower than the average. Further in the financial year 2020-21, the debtors were at normal level, therefore, the debtor turnover ratio was higher due to high debtor in the FY 2020-21 as compared to the last financial year.
Debtor Turnover Ratio (days)	56.53	40.73	38.79	Change happened mainly due to lockdown restriction in the last month of previous financial year. Accordingly, the debtors were lower than the average. Further in the financial year 2020-21, the debtors were at normal label, therefore, the debtor turnover ratio was higher due to high debtor in the FY 2020-21 as compared to the last financial year.
Inventory Turnover Ratio (days)	27.83	32.30	-13.84	
Profitability Ratios				
Operating Profit Margin (%)	9.73	3.68	164.40	Higher profit due to favourable market conditions from second quarter onwards in the FY 2020-21 as compared to losses due to adverse market conditions in the financial year 2019-20.
Net Profit Margin (%)	1.99	-2.26	-11.94	

Disclosure of Accounting Treatment

The Company has followed the same Accounting treatment as prescribed in the relevant Accounting Standards while preparing the Financial Statements.



INTERNAL CONTROLS AND THEIR ADEQUACY



The Company's internal controls are commensurate with its size and the nature of its operations. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use and ensuring compliance with corporate policies. The all-encompassing control framework covers all key business functions in addition to governance, compliance, audit, control and reporting.

The Company's state-of-the-art ERP system coupled with stringent procedures ensure high accuracy in recording and providing reliable financial & operational information, meeting statutory compliances.

The Company's internal audit team keeps a close eye on

business operations and any deviations are promptly brought to the notice of the leadership. The Internal Audit reports are periodically reviewed by the management and the Audit Committee of the Board and necessary improvements are undertaken, if required.

These findings provide input for risk identification and assessment. Timely and adequate measures are undertaken to ensure uninterrupted functioning of the business. The Company has engaged independent Chartered Accountant firms with vast experience and knowledge to monitor internal controls. The Company's robust and comprehensive internal control systems and processes are reviewed periodically in line with the evolving business ecosystems

HUMAN RESOURCE

People have been the cornerstone of Maral Overseas' success. Their unwavering passion and disciplined perseverance have fueled the Company's growth aspiration to challenge the status quo and go beyond perceived boundaries.

In FY21, Maral Overseas made a remarkable transformation driven by its treasured capital – its people. Despite the mayhem caused by the pandemic, the Company stayed the course with its ambition to be a safe and friendly workplace, adhering to the organisational

values at the same time.

The human resources (HR) department focused on purposeful involvement of each team member leveraging technology tools to enhance knowledge, increase team bonding and keep the team engaged in meaningful ways which would, over the near-term, benefit them professionally and personally.

The HR department continued to foster a conducive environment to develop ownership, accountability and positive energy in individuals. Town hall meets and periodic interaction with the leadership teams built morale of the team. The sustained team building efforts manifested itself in a heartening turnaround of business fortunes in a year which, most predicted, would have been a washout for business enterprises



RISK MANAGEMENT

At Maral Overseas, our risk strategy is determined by a risk appetite defined for a series of risk criteria. The criteria are based on sectoral circumstances, liquidity available and our earnings target within accepted volatility limits. These criteria provide a reference for our operating divisions.

The Company's risk management framework encompasses strategy and operations and seeks to proactively identify, address and mitigate existing and emerging risks with a goal of making the business model emerge stronger and ensuring that profitable business growth becomes sustainable.



Cautionary Statement

Statements in this document/discussion relating to future status, events, or circumstances, including but not limited to statements describing the Company's objectives, projections, estimates and expectations maybe 'forward looking statements' within the meaning of applicable laws and regulations. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those either expressed or implied in the statements. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the market in which the company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors

Corporate Information

L.N. Jhunjhunwala Chairman - Emeritus

BOARD OF DIRECTORS

Shekhar Agarwal	Chairman & Managing Director and CEO
Ravi Jhunjhunwala	Director
Shantanu Agarwal	Joint Managing Director
Dr. Kamal Gupta	Independent Director
Priya Shankar Dasgupta	Independent Director
Archana Capoor	Independent Director

KEY MANAGERIAL PERSONNEL

Shekhar Agarwal	Chairman & Managing Director and CEO
Shantanu Agarwal	Joint Managing Director
Atul Kumar Jain	Chief Financial Officer
Virendra Kumar Garg	Company Secretary

REGISTERED OFFICE

Maral Sarovar, V. & P.O. Khalbujurg,
Tehsil Kasrawad, Distt. Khargone
451 660 (M.P.)
Website: www.maraloverseas.com

AUDITORS

S.S. Kothari Mehta & Co., New Delhi
P. K. Deora & Co., New Delhi

CORPORATE OFFICE

Bhilwara Towers,
A-12, Sector -1,
Noida - 201 301 (U.P.)

BANKERS

Bank of Baroda
State Bank of India
Canara Bank
Central Bank of India
Union Bank of India
Export-Import Bank of India

KEY EXECUTIVES

Saroval Plant	Noida Plant
Satya Narayan Goyal Preseident	Sanjay Jhangala Vice President- Operation

PLANT LOCATIONS

Saroval Plant
Maral Sarovar, V. & P.O. Khalbujurg,
Tehsil Kasrawad, Distt. Khargone - 451 660 (M.P.)

Noida Plant

A-11, Hosiery Complex, Phase - II (Extension),
Noida - 201 305 (U.P.)
C-126, Sector -63, Noida - 201 305 (U.P.)

Directors' Report

To the members

Your Directors are pleased to present the Thirty Second Annual Report of your Company on business and operations along with the audited financial statements and the auditor's report of Maral Overseas Limited for the financial year ended 31st March, 2021.

Financial Results

Particulars	2020-21	2019-20
Revenue from Operation	632.02	675.95
Profit before Interest & Depreciation	61.42	24.83
Less: Finance Cost	16.55	15.70
Profit before Depreciation & Amortisation	44.86	9.13
Less: Depreciation & Amortisation	23.99	24.41
Profit/(Loss) before Tax	20.87	(15.28)
Less:		
a) Current Tax	5.77	-
b) Deferred Tax	3.42	-
c) Taxes adjustment for earlier years	(0.85)	-
Profit/(Loss) after Tax	12.53	(15.28)
Add: Opening Balance	(31.98)	(17.48)
Add: Transfer from Equity Component	-	-
Add: Other Comprehensive Income	(1.04)	0.78
Balance at the end of the year	(20.48)	(31.98)

Number of Meetings of the Board

Particulars of the meetings held during the year along with details regarding the meetings attended by the Directors, forms part of the Corporate Governance Report. The composition of the Board and its Committees has also been detailed in the Report on Corporate Governance.

Dividend

In view of accumulated losses, your Directors do not propose any dividend for the financial year ended 31st March, 2021. The carry forward losses are not yet fully set off in the year under review, therefore your Directors in compliance with Companies Act 2013 and rule made thereunder, do not recommend payment of dividend on Cumulative Redeemable Preference Shares (CRPS) issued by the Company and the same has already been informed by the Directors in their previous reports. Your Directors further inform the members that the same will be paid once the accumulated loss would be wiped out.



Your Directors are hopeful that good performance by the Company during the year under review would continue and your Company shall be able to meet its obligations.

Operations

Your Directors inform the members that during the year under review, despite unprecedented challenges including nation-wide lockdown (due to which the operations of the Company were suspended for nearly three months during the year), difficult market conditions and global economic slowdown in both domestic and international markets, your Company recorded reasonably good performance.

Your Directors inform the members that despite difficult market conditions, your Company has maintained profitability in all segments. The Yarn, Fabric and Garment divisions of your Company reported good performance during the year under review. The Company has undertaken cost optimization and rationalisation exercise to bring down the cost of operations and is also working continuously on improving product mix to improve margins. Your Directors are hopeful that the current economic momentum will continue and with the completion of ongoing capital expenditure and modernisation program, your Company would be able to significantly improve its performance and probability.

Your Company achieved a turnover of ₹632.02 Crore for the year ended 31st March, 2021 against ₹675.95 Crore in the previous year ended 31st March, 2020. Further, the Company achieved an operational profit of ₹61.42 Crore as against ₹24.83 Crore achieved in the previous year. The Company recorded a Net Profit of ₹12.53 Crores against a Net Loss of ₹15.28 Crore reported in the previous year.

During the period under review, your Company recorded production of 15,665 MT of grey yarn (16,809 MT), 2,219 MT of dyed yarn (2,675 MT), 4,121 MT of grey knitted fabric (4,544 MT), 5,004 MT of processed fabric (5,644 MT) and 32.21 Lakh pieces of garments (34.90 Lakh pieces).

During the year under review, the Company's exports (FOB value) were to the tune of ₹269.65 Crore (₹316.47 Crores) and accounted for 42.66% (46.79%) of the Company's turnover. The yarn business accounted for 50.85% (51.12%) while knitted fabric and garment business accounted for 31.58% (31.85%) and 17.57% (17.03%) respectively.

Industry Scenario

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles

sectors at one end of the spectrum, and the capital-intensive sophisticated mill sector on the other end. The decentralised power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of the textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world. The textiles and apparel industry can be broadly divided in the following segments - yarn and fibre and processed fabrics and apparel. India is the world's second largest exporter of textiles and clothing. Increased penetration of organised retail, favourable demographics, and rising income level are likely to drive demand for textiles. Its inherent and unique strength is its incomparable employment potential. This is owing to the presence of the entire value chain from fibre to apparel manufacturing within the country. The textile industry is expected to attract investment of about \$120 billion by 2024-25 and create about 35 million additional jobs in the process.

The year 2020 has, however, drastically impacted all sectors due to the ongoing pandemic. While some industries like the health sector have seen an upsurge, others like the aviation have plummeted to unforeseen lows. As we all know, manufacturing and export came to an abrupt halt for complete two months due to Covid-19 lockdown. Despite this, the Indian Textile industry has also adapted itself to the current market scenario. The industry accounts for 11% of Indian exports. Investment in Indian textile market is luring both national and international players due to various factors. With the implementation of the Scheme for Integrated Textile Parks (SITP), Revised Restructured Technological Upgradation Fund Scheme (RRTUFS) and the Amended Technology upgradation Fund Scheme (ATUFS) by the Ministry of Textiles, India has minimised industry setup cost, making it cost effective for small and medium-sized yarn manufacturers to enter the market. Lowering the GST slab to 5% has also boosted the growth, creating a business-friendly environment. Policies like "Make in India" are further promoting demand for Indian products for the national market and paving the way for new factory setup in the textile industry.

Modernization and Expansion

During the second half of the financial year under review, your Directors have planned a capital expenditure of ₹11.04 Crore for the financial year 2020-21 and ₹39.00 Crore for the for the financial year 2021-22 in Spinning, Yarn Dying, Processing, Engineering, Garment and IT division besides other normal capital expenditure which were required for the smooth operations of the Company.



During the year under review, your Directors have also approved the setting up a new garment manufacturing unit at a new location in Noida (U.P.) by setting up 300 new sewing machines which involved a capital expenditure of ₹7.68 Crore approx. which is expected to start production in the first quarter of the current financial year.

Your Directors are hopeful that with the implementation of the above programs, your Company would be able to realise value addition as well as offer a wider range of products with focus on quality.

Your Company is closely observing the current economic conditions and taking all measures to improve its performance.

Corporate Social Responsibility

Despite decades of reforms and government initiatives, a large number of students dropped out of schools for lack of facilities for quality education. This phenomenon clearly shows the need for a distinctive approach to achieve the goals of providing quality education to children of this country. Quality education is the foundation of improving the lives of our citizens. Major progress has been made to achieve the goal of providing quality education at all levels. Your Company endeavours to provide the right opportunities and environment for the development of a child by giving quality education.

It has always been the goal of the Company to stand at the forefront with regard to accepting its social and environmental responsibility, as a responsible corporate citizen for us, Corporate Social Responsibility (CSR) is an added opportunity to bring value to our stakeholders' lives and in a small possible way bring about a difference that we all want to see.

Education represents the stepping stone to improving the quality of life, especially for the poor and the vulnerable. Access to quality education is fundamental to the growth of India. The ideology behind the corporate social responsibility initiatives taken in education this year is to transform lives through the continuous enhancement of knowledge and empowerment.

In line with this commitment, the Company is continuing with its prime motive to provide free education to the students whose family were below the poverty line and belonged to SC/ST/Tribal class in the vicinity of its factory in the state of Madhya Pradesh. Your Company fulfils the dreams of underprivileged girl children who are living with the hope that they will fulfil their dreams and aspirations.

The composition and terms of reference of the CSR Committee

are given in the Corporate Governance Report. The Annual Report on the CSR initiative undertaken by the Company as per the Company (Corporate Social Responsibility Policy) Rules, 2014, is annexed as **Annexure I**.

Annual Return

Pursuant to Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link : <https://www.maraloverseas.com/Uploads/financial/annualreturn20-21.pdf>

Directors and Key Managerial Personnel

Your Directors inform the member that, Shri Shantanu Agarwal (DIN-02314304), Joint Managing Director, retires by rotation and being eligible, offers himself for re-appointment.

During the year under review, Mrs. Archana Capoor, Independent Director of the Company was re-appointed as Independent Director of the Company for a second term of five years starting from 6th November, 2020 to 5th November, 2025 and Shri Shantanu Agarwal was appointed as a Joint Managing Director of the Company for a period of five years without remuneration with effect from the 19th June, 2020. Your Directors inform the members that Shri Shekhar Agarwal, Managing Director and CEO of the Company was appointed as Chairman of the Board of the Company at its meeting held on 19th June, 2020.

Your Directors further inform the members that pursuant to the provisions of Section 149(7) of the Companies Act, 2013, a declaration has been received from the Independent Directors at the beginning of the financial year stating that they meet the criteria of independence as specified under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) and 25 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

During the year, Shri Shekhar Agarwal, Chairman & Managing Director and CEO, Shri Shantanu Agarwal, Joint Managing Director, Shri Atul Kumar Jain, Chief Financial Officer and Shri Virendra Kumar Garg, Company Secretary acted as Key Managerial Personnel of the Company.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. Further, none of the Directors are debarred from holding the office of Director pursuant to any SEBI Order or any other such authority. The Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013.



Directors' Appointment and Remuneration Policy

Pursuant to the provision of Section 178 of the Companies Act, 2013 and Schedule II Part D, a Nomination & Remuneration Policy had been framed for the appointment of Directors, Key Managerial Personnel and Senior Management and fixation of their remuneration. The Nomination and Remuneration Policy as framed is annexed as **Annexure II** and forms part of this report.

Your Directors inform the members that the Nomination & Remuneration Committee as well your Directors endeavour to follow the policy and all appointments at Board and Senior Management are considered at the meeting of the Committee and the Board.

Annual Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual evaluation has been done by the Board of its own performance, its Committees and the individual Directors. The manner of evaluation is mentioned in the Nomination and Remuneration policy which forms part of Board Report. Your Directors feel pleasure in informing the members that the performance of the Board as a whole and its member individually was adjudged satisfactory.

Further, every Independent Director of the Company is familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Particulars of Loans, Guarantees or Investments

Details of loans, guarantees and investments are given in the notes to the financial statements at appropriate places.

Particulars of Contracts or Arrangements with Related Parties

All contracts / arrangements / transaction entered into the Company during the financial year with related parties were on arm's length basis and in the ordinary course of business. During the financial year, there was no material contract or arrangement entered into by the Company with any of the related parties. Your Directors draw attention of the members to note 40 to the financial statement which contain particulars with respect to related parties. The policy on dealing with the related party transactions as approved by the Board of Directors is disclosed on the website of the Company under the following link: <https://www.maraloverseas.com/pdf/Related-Party-Transaction-Policy.pdf>

Further, prior omnibus approvals from the Audit Committee are obtained for the transactions which are repetitive and normal in nature and in accordance with the Related Party Transactions policy. The disclosures are made to the Audit Committee and the Board of Directors on a quarterly basis.

Maintenance of Cost Records

In terms of provisions of Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Central Government has mandated certain class of Companies to maintain cost records. Being a textile Company, the Company falls under the prescribed class of Companies and maintains Cost Accounts and Records which are also subject to Audit conducted by a Cost Auditor.

Significant and Material Orders Passed by the Regulators or Courts.

There was no significant and material order passed by the regulators or courts during the year under review.

Auditors

Statutory Auditors

Your Director inform the members the M/s. S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi (Firm Registration No. 000756N), and M/s. P. K. Deora & Co., Chartered Accountants, New Delhi (Firm Registration No. 004167N) were appointed as Joint Statutory Auditors of the Company at the 28th Annual General Meeting of the Company held on 22nd September, 2017 for a term of five years till the conclusion of 33rd AGM subject to ratification by members at every subsequent Annual General Meeting.

Your Directors inform the members that in accordance with the amendment notified by MCA on 7th May, 2018, the requirement of ratification of the appointment of Statutory Auditors at every Annual General Meeting has been omitted and is no longer required. However, the Statutory Auditors have confirmed their eligibility under section 141 of the Companies Act, 2013 and rules framed thereunder.

During the year, the Auditors did not report any matter under Section 143 (12) of the Act; therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act. The observations of the Auditors, if any, are explained wherever necessary, in the appropriate notes to the accounts which forms part of this Annual Report. The Auditors Report does not contain any qualification, reservation or adverse remark, disclaimer or emphasis of matter.



Internal Auditors

Pursuant to section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company had appointed M/s GSA & Associates, LLP, Chartered Accountant and M/s Arvind Kaul and Associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2020-21 pursuant to section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

The role of internal auditors includes but is not limited to review of internal systems, standard operating procedures, adherence to statutory laws & other operational norms, as set by the management, monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, etc.

Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Pranav & Associates, Company Secretaries, as the Secretarial Auditor of the Company for the year ending 31st March, 2021. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The Report of Secretarial Audit is annexed as **Annexure III**.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, textile companies are required to get their cost records audited. In this connection, the Board of Directors of the Company on the commendation of Audit Committee had approved the appointment of M/s K. G. Goyal & Co. as the Cost Auditor of the Company for the year ending 31st March, 2021.

Risk Management

The Company has identified various risks associated with its business. The Company has adopted a risk management policy which acts as an effective tool in mitigating the various risks to which the businesses are exposed. The risk management policies cover areas such as Environment, Health & Safety, Statutory Compliances and Returns, Energy, On Time Performance, Quality, Commodity Pricing, Outsourcing, Budgeting and Planning, Government Policies etc. The risks identified by the business are systematically addressed to the Board through mitigating actions on a continuous basis. Further, the policy aims at creating and protecting shareholder value by minimizing threats and weaknesses and identifying and maximizing opportunities. Pursuant to the policy, your Directors periodically review the risks

associated with the business or which threaten the prospects of the Company.

Corporate Governance

Good Corporate Governance is more of a priority than a mere legal obligation. It involves the commitment to run the business in the most ethical and transparent manner. It helps to build the confidence of the investors and to establish healthy relationship with all the stakeholders. Apart from mandatory practice, the Company adopts various voluntary practices to ensure transparency and accountability at the highest level. The Company's vision of achieving its objectives is in line with its consideration for environment, safety and health of all people.

Report on Corporate Governance along with the Certificate of Auditors, M/s. S.S. Kothari Mehta & Co. and M/s. P. K. Deora & Co., Chartered Accountants, confirming compliance of conditions of Corporate Governance as stipulated under point E of Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended, forms part of this Annual Report.

Whistle Blower Policy

The Company, in order to provide mechanism to disclose any unethical and improper practice or any other alleged wrongful conduct or matter of concern in area of accounts, finance, management, operations, employment or any other misconduct in the Company has a Vigil Mechanism also known as Whistle Blower Policy.

The Company has appointed a nodal officer to whom the complaints can be made. In exceptional cases an opportunity is provided to the Whistle Blower to make a direct appeal to the Chairman of the Audit Committee.

The policy safeguards the whistle blower from being victimized. The policy has been disclosed on the website of the Company, the link of which is given hereunder: https://www.maraloverseas.com/pdf/Whistle_Blower_Policy.pdf

Management Discussion and Analysis Report

Management Discussion and Analysis Report, as required by Schedule V of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, forms part of this Annual Report.

Internal Control Systems

The Directors have laid down internal financial controls to be followed by your Company and such policies and procedures are adopted by your Company for ensuring orderly and efficient conduct of its business, including adherence to the 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 timely preparation of reliable financial information.

The Audit Committee reviews the executive summary of the internal audit findings along with recommendations and management comments every quarter. Further, the action taken report/ compliances as discussed in the previous meeting is placed in the next meeting along with a detailed report. The Internal Auditors also ensure proper compliance of all policies and Standard Operating Procedures (SOPs) adopted by the Company. Internal Auditors report directly to the Audit Committee of the Board.

The Company's internal control systems comprise of audit and compliance by in-house staff supplemented by internal audit checks by the Internal Auditors.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Your Directors inform the members that your Company continuously evaluates various energy conservation measures in all areas of operation across all its manufacturing plants. The information required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rules, 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure –IV** forming part of this Report.

Particulars of Employees

The information pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant statement is annexed as **Annexure –V**.

Further, disclosures pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The relevant Statement is annexed as **Annexure – VI**.

Significant Material Changes after Balance Sheet Date Affecting Financial Position

There is no change or commitment which affects the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate i. e. 31st March, 2021 and the date of Report 30th April, 2021.

Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any Joint Ventures, Subsidiaries and Associate Companies.

Public Deposit

Your Company has not accepted any public deposit within the meaning of provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there is no outstanding deposit due for re-payment.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has complied with provisions relating to the constitution of Internal Complaints Committee for reporting concerns with regard to sexual harassment at workplace.

Your Directors inform the members that during the year under review, the Internal Complaint Committee did not report any complaint with regard to sexual harassment under review.

Directors' Responsibility Statement

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- b. appropriate accounting policies have been applied consistently and they have 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 on 31st March, 2021 and of the profit and loss of the Company for the year ended on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis.
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that the system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.



Disclosure of Accounting Treatment

The Company has followed the same accounting treatment as prescribed in the relevant Indian Accounting Standards while preparing the Financials Statements.

Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 (10) of the Companies Act, 2013.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

- I. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- II. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- III. No amount has been transferred to general reserves during the year.
- IV. There was no change in the nature of business of the Company.

V. There was no fraud found which has been reported to the Audit Committee / Board members as well as to the Central Government.

Acknowledgements

Your Directors place on record their acknowledgement and sincere appreciation to all our clients, customers, vendors, dealers, bankers, investors, other business associates, Central and State Governments for their continued support and encouragement during the year and their confidence towards the management. Your Directors would also like to thank employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board

-Sd/-

Shekhar Agarwal

Place:-Noida (U.P.)

Chairman & Managing Director and CEO

Date: 30th April, 2021

DIN -00066113



Annexure – I to Directors' Report

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2020-21

- Brief outline on CSR Policy of the Company. The brief outline of CSR Policy has been enumerated in the Director's Report under the para Corporate Social Responsibility.
- Composition of CSR Committee:

Sl No.	Name of Director	Designation / Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Priya Shankar Dasgupta	Chairman of the Committee/ Non Executive Independent Director	4	4
2	Shekhar Agarwal	Member/ Executive Director	4	4
3.	Dr. Kamal Gupta	Member/ Non Executive Independent Director	4	4
4.	Shantanu Agarwal	Member/ Executive Director	4	4

- Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: https://www.maraloverseas.com/pdf/MOL_CSR_Policy.pdf
- The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).- **Not Applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any Sl. No. Financial Year Amount available for set-off from preceding financial years (in ₹) Amount required to be set-off for the financial year, if any: - **Not Applicable**

Sl. No.	Financial Year	
	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1		
2		
3		
Total		

- Average net profit of the company as per section 135(5). ₹124.97 Lakh
- (a) Two percent of average net profit of the company as per section 135(5): - ₹2.50 Lakh
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **N.A.**
(c) Amount required to be set off for the financial year, if any **N.A.**
(d) Total CSR obligation for the financial year (7a+7b-7c). ₹2.50 Lakh
- (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in Lakh)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund Amount	Amount	Date of transfer
8.83	Not Applicable		Not Applicable		



(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

1	2	3	4	5	6	7	8	9	10	11
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project. Amount spent for the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Un-spent CSR Account for the project as per Section 135(6) (in ₹)	Mode of im-ple-menta-tion Direct (yes/No)	Mode of im-plementation on - Direct (Yes/ No). Mode of implementation - Through imple-menting agency. State. District. Name. CSR registra-tion number. 1. 2. 3. TOTAL
				State District						

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.	Amount spent for the project (₹ in Lakh)	Mode of im-ple-menta-tion- Direct (Yes/No).	Mode of implementa-tion - Through imple-menting agency.
				State. District.			Name. CSR reg-istration number.
1.		Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Madhya Pradesh Khargone	8.75	Yes (Direct)	Not Applicable
2.		Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Uttar Pradesh Noida	0.08	Yes (Direct)	Not Applicable
		Total			8.83		



- (d) Amount spent in administrative overheads. **NIL**
- (e) Amount spent on impact assessment, if applicable **NIL**
- (f) Total amount spent for the financial year (8b+8c+8d+8e) - **₹8.83 Lakh**
- (g) Excess amount for set off, if any - **Not Applicable**

SI No.	Particular	Amount (in Lakh)
1	Two percent of average net profit of the company as per section 135(5)	2.50
2	Total amount spent for the Financial Year	8.33
3	Excess amount spent for the financial year [(ii)-(i)]*	6.33
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

*During the year the Company was required to spend ₹8.83 Lakhs on CSR activities which includes unspent amount ₹6.33 Lakhs pertaining to the previous year i.e. 2019-20. The Company had spent ₹8.83 Lakh during the financial year 2020-21 under review including unspent amount of the previous year ₹6.33 Lakh.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakh)	Amount spent in the reporting Financial Year (₹ in Lakh).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (₹ in Lakh)
				Name of the Fund	Amount (₹ in Lakh)	Date of transfer	
1.	2017-18	No	-	No	No	No	No
2.	2018-19	No	-	No	No	No	No
3.	2019-20	No	6.33	No	No	No	No
Total			6,33				

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(1) Sl. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (₹ in Lakh).	(7) Amount spent on the project in the reporting Financial Year (₹ in Lakh).	(8) Cumulative amount spent at the end of reporting Financial Year. (₹ in Lakh)	(9) Status of the project- Completed / Ongoing.
1.								
2.								
3.								
Total								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

(Asset-wise details).

- (a) Date of creation or acquisition of the capital asset (s).
- (b) Amount of CSR Spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset (s) created or acquired (including completed address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).

During the year, the Company was required to spend ₹8.83 Lakh on CSR activities, which includes unspent amount of ₹6.33 Lakh pertaining to the previous year i.e. 2019-20 and ₹2.50 Lakh was for the year 2020-21. During the financial year 2020-21, the Company had spent ₹8.83 Lakh on the CSR activities which include unspent amount of ₹6.33 Lakh of previous year. Therefore, no amount remained unspent/unutilized as at the end of the financial year 2020-21.

Sd/-

Shekhar Agarwal

(Chairman & Managing Director and CEO)

DIN: 00066113

Sd/-

Priya Shankar Dasgupta

(Chairman of CSR Committee)

DIN: 00012552

Dated: 30th April, 2021

Place:-Noida (U.P.)



Annexure – II To Directors' Report

Nomination & Remuneration Policy

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time, every Listed Public Company is required to constitute a Nomination and Remuneration Committee with at least three or more Non-Executive Directors, out of which not less than one half shall be Independent Directors. The Company already had a Remuneration Committee with three Non-Executive Independent Directors. In order to align the same with the provisions of the Companies Act, 2013, and the Listing Regulation, 2015 as amended from time to time, the Board of Directors at their meeting held on the 22nd April, 2014, renamed the "Remuneration Committee" as "Nomination and Remuneration Committee".

The Nomination and Remuneration Committee and its Policy being in compliance with the provisions of Section 178 of the Companies Act, 2013, read with the applicable Rules and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applies to the Board of Directors, Key Managerial Personnel and the Senior Management of the Company.

"Key Managerial Personnel (KMP)" means and comprise-

- Managing Director & Chief Executive Officer,
- Whole Time Director,
- Company Secretary,
- Chief Financial Officer,
- Such other Officer as may be prescribed.

"Senior Management" shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management, one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer and including Functional Heads.

Role and Objective of Committee:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down in the policy.
3. Recommend to the Board the appointment and removal of

Directors and Senior Management.

4. Specify the manner for effective evaluation of the performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Committee itself or by an independent external agency and review its implementation and compliance.
5. Recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employee.
6. To devise a policy on Board diversity.
7. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
8. To ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
9. To develop a Succession Plan for the Board and to review it regularly.
10. To recommend to the Board, all remuneration, in whatever form, payable to senior management.
11. To perform such other functions as may be referred by the Board or be necessary in view of the Listing Regulation, 2015 and the provisions of the Companies Act, 2013 and Rules made thereunder.

Membership:

1. The Committee shall comprise at least three (3) Directors, all of whom shall be Non-Executive Directors and at least half of them shall be Independent.
2. Minimum two (2) members or one third of the members, whichever is greater, including at least one (1) Independent Director in attendance shall constitute a quorum for a Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman:

1. Chairman of the Committee shall be an Independent Director.
2. Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.

3. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
4. Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member of the committee to answer the shareholders' queries.

Frequency of Meetings:

The meeting of the Committee shall be held at such regular intervals as may be required. However, the Committee shall meet at least once in a year.

Committee Member's Interests:

1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Voting:

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall, for all purposes, be deemed to be a decision of the Committee.
2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

Appointment of Directors/KMP/Senior Management:

While recommending a candidate for appointment, the Committee shall have regard to:

- Assessing the appointee against a range of criteria which includes but not limited to qualifications, skills, experience, background and other qualities required to operate successfully;
- The experience and knowledge that the appointee brings to the role of KMP/Senior Management, which, in turn, will enhance the skill sets and experience of the Board as a whole;
- The nature of existing positions held by the appointee including Directorship and such other relationship and the impact of the same on the Company's welfare.

Letter of Appointment:

Each Independent/KMP/Senior Management, Director is required to sign a duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

Policy on Board Diversity:

The Nomination and Remuneration Committee shall ensure that the Board of Directors has the combination of Directors from different areas/ fields or as may be considered appropriate in the best interests of the Company. The Board shall have at least one Board member who has accounting/financial management expertise.

Remuneration of Directors, Key Managerial Personnel and Senior Management:

The salaries of Directors, Key Management Personnel and other Senior Management shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

1. Fixed Pay :

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee in accordance with the applicable provisions of the Companies Act, 2013 read with the rules made thereunder and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and other applicable provisions, as amended from time to time. The salary paid needs to be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities to be usually reviewed on an annual basis.

2. Minimum Remuneration :

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3. Provision for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the approval of members by way of Special Resolution, where required, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the Company.

**4. Increment :**

Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the Shareholders in the case of Managerial Person.

5. Sitting Fees:

A Director may receive remuneration by way of fees for attending meetings of Board or Committee(s) thereof unless he/she is not getting any remuneration by way of Salary. Provided that the amount of such fees per meeting of the Board or Committees shall not exceed the maximum amount as provided in the Companies Act, 2013 as amended from time to time.

6. Remuneration/Commission to Non-executive/ Independent Director:

The remuneration/commission to Non-executive/Independent Director shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

Evaluation/Assessment of Directors/KMPs/Senior Management of the Company:

The evaluation/assessment of the Directors, KMP and the Senior Management of the Company is to be conducted on an annual basis and to satisfy the requirements of the Listing Regulation, 2015, as amended from time to time.

The following criteria may assist in determining how effective the performance of the Directors/KMPs/Senior Management has been:

- Leadership & stewardship abilities.
- Assess policies, structures & procedures.
- Regular monitoring of corporate results against projections.
- Contributing to clearly define corporate objectives & plans.
- Obtain adequate, relevant & timely informations.

- Review achievement of strategic and operational plans, objectives, budgets.
- Identify, monitor & mitigate significant corporate risks.
- Directly monitor & evaluate KMPs, Senior Management.
- Review management's Succession Plan.
- Effective meetings.
- Clearly defining role & monitoring activities of Committees.
- Review of ethical conduct.

Evaluation following the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors relative to the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

Manner for Effective Evaluation of Performance of Board, its Committees and Individual Directors:

The Performance Evaluation of Directors, Key Managerial Personnel and Senior Management of the Company, the Board as a whole, its Committees shall be carried out on Annual Basis and be reported to the Board of Directors for further evaluation.

Deviations from this Policy:

Deviations on elements of this policy, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

Annexure – III to Directors' Report**FORM NO. MR-3****Secretarial Audit Report**

For The Financial Year Ended 31st March 2021

[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,
Maral Overseas Limited
Maral Sarovar V & P.O., Khalbujurg Tehsil,
Kasrawad, Khargone- 451660
Madhya Pradesh, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Maral Overseas Limited** (hereinafter called "the Company") for the audit period covering the financial year ended on 31st March, 2021. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representation made by the Management, we hereby report that in our opinion, the Company has, during the audit period under consideration complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- The Companies Act, 2013 ("the Act") and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and byelaws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules

and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **Not applicable to the Company during the Audit Period.**
 - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – **Not applicable to the Company during the audit period;**
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period;**)
 - 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 ;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period;**)
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period;**)
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We report that, having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- The Boilers Act, 1923 as amended by the Indian Boilers (Amendment) Act, 2007.



- (b) The Water (Prevention and control of Pollution) Act, 1974.
- (c) The Air (Prevention and control of Pollution) Act, 1981.
- (d) The Environment (Protection) Act, 1986.

We further report that, based on the information provided and the representation made by the Company and also on the review of the internal compliance reports taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable industry specific Acts, general laws like labour laws and environmental laws etc.

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

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

During the audit period, based on the information provided and the representation made by the Company there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

We further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory auditor and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors,

Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent within prescribed time, 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.

All decisions at the Board Meetings and Committee Meetings were carried out with requisite majority as recorded in the minutes of the Meetings of the Board of Directors or Committee(s) of the Board as the case may be.

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.

For Pranav Kumar & Associates

Company Secretaries

Sd/-

Pranav Kumar

Partner

FCS-5013: COP-3429

UDIN-A023822C000220766

Place: Ghaziabad

Date: 30.04.2021



Annexure – IV to Directors' Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo Required Under Companies (Accounts) Rules, 2014.

(A) Conservation of energy-

(i) The steps taken or impact on conservation of energy:

Sarovar Unit

1. PAT cycle scheme is a regulatory instrument to reduce specific energy consumption in energy intensive industries. We have completed the final audit of PAT cycle III.
2. Regular monitoring and audit of air leakages, steam and water leakages and attended the same so as to minimize the losses on accounts of leakages.
3. Replacement of 36W CFL with 30W LED lights for street lights.
4. Energy saving by control and monitoring of losses.
5. Improvement of process cycles for reduction of rejects and low water & utility consumption.
6. Increased the use of HOT water to save the thermal energy.

Plan for next year

1. Replacement of ZR 355 -2000 CFM compressor + 168 CFM compressor with energy efficient compressor of 2200 CFM on low pressure line.
2. Replacement of present dryer with energy efficient dryer.
3. Replacement of inefficient and rewound motor with energy efficient motor.
4. Installation of energy efficient motor and pulley conversion with frequency drive on Ring frame unit 4 (Total 6 machine of 40 KW).
5. Replacement of Ring frame main motor of Unit 2 ring frame with energy efficient motors.
6. Replacement of old inefficient pump with energy efficient pumps. These pump presently working at H plant of spg unit.
7. Installation of receiver on low pressure compressed air line - total 3 nos.

Noida Unit

1. Replaced 15 no. of manual motor with energy efficient servo motor of low consumption in sewing machine.
2. Replaced 2 thread trimmer machines with energy efficient of Low Consumption.
3. Installed 4 Electrical mini Boilers with capacity of 81 KW also installed 2 tumble dryer heat exchanger with capacity of 72KW and replaced PNG Boiler with capacity of 1000 kg .
4. Replaced diesel boiler 200 Kg & 150 Kg. with Electric boiler low energy consumption with 27 kw -2 nos, 18 kw -1 nos. Electrical boiler with & Fuel efficient of low consumption by at least 35 percent of cost at Apparel unit.
5. Replace 2 Ac (3 ton 3 Star) with 2 ac Installed in show room with the capacity of 3 Ton show room with 4 star low consumption energy 15 percent at Apparel unit.
6. Installed 6 no's double head thread trimmer machine with energy efficient of low consumption at Apparel unit.
7. Also installed inverter ac in ground floor office capacity 1ton & 1.5-ton four-star low consumption energy 15 present at apparel unit.
8. Installed 500 kg PNG fired boiler in Fuel-efficient of low consumption by at least 35 percent of the cost at Apparel unit.



(ii) The steps taken by the company for utilizing alternate sources of energy.

Sarovar Unit

We are in planning to install Solar Rooftop Power project of 2.5 MW in year 2021-22 under OPEX model.

Noida Unit

N.A.

(iii) The capital investment on energy conservation equipment;

Sarovar Unit

N.A.

Noida Unit

N. A.

(B) Technology absorption-

(i) The efforts made towards technology absorption;

Sarovar Unit

None

Noida Unit

None

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

Sarovar Unit

1. Hollow Yarn: This yarn made of cotton and PVA fibers. Due to dissolving of PVA fibers, the structure of yarn and fabric made of it loose, soft and porous. The air trapped inside the yarn between the cotton fibers increased the thermal resistance of fabrics. This yarn mainly used for towel to make softer feeling as well as easily absorption of water.
2. Nylon + Cotton blended yarn: Nylon is very strong and light weight fibers. It has having high melting point make it more resistant to heat and friction so it is used in offices, industry fabrics which are more liable to wear and tear as well as to make fire retardant fabric.
3. Ecovera Viscose + cotton blend: Ecovera is sustainable viscose fibers. Derived from certified renewable wood sources using an eco- responsible production and contribute to a cleaner environment. During manufacturing 50.0 % lower emission and water impact compared to generic viscose fibers. It gives confidence that fashion choices are environmentally responsible. This is lightweight material with nice drape, a lustrous finish and soft feel so used for clothing such as blouses, dresses, jackets as well as in Carpet and upholstery industry.
4. In finished fabrics, we have developed fabrics with special finishes like:-
 - a. Antimicrobial + Wicking & Evaporation in which antimicrobial properties stand up to 30 washes.
 - b. Antimicrobial + Soil release + Stain release, which has excellent durability to laundering, quickly wash water and soil based stains.
 - c. We have developed below products in 2020-2021.

Soil Release: Due to this treatment in fabric any soil will not go into core and will remain of surface so water consumption is less during laundry so this product is more sustainable product in terms of water consumption, steam and electricity.

Stain Release: Due to this finish stain does not goes in core of the fabric. It can remove from surface easily with less water. Due to less consumption of water, less steam and less energy this product make more sustainable and energy saving.

Wash and wear : Due to this we did no need to do ironing in fabric. After washing the fabric you cannot seen a single crease mark on surface of fabric so ironing is not required its DP rating is 4 which help us to steam and electricity.

d. Antimicrobial + Anti Odor + Oil repellent + Water repellent which has speciality like High water repellency, Good repellency of water and oil based stains, Good protection from small droplets. This fabric can be used on outer layer of 3 Plymask which will work as a water repellent barrier.

Noida Unit

- Metal Champ LOGO Attachment modified in Brother Machine. Programmed and successfully done without charge.
- Menthol Kaj attachment procured and production done successfully earlier done on job work.
- Machine pressure foot developed for 3 stripe to enhance quality and production.
- Bar tak Machine Developed the Cycle programmed in House we can bar tak one time every type of bar tak special for Adidas max. 14 to 16 bartak.
- Bas Machine 300g developed in house every type of Like Nasa, Box & Square Box, triangle Special for SCHIESSER, V.H in House.
- Button Machine Special for 1 Side Hole attached In Button machine.
- Piping Folder developed For Overlock machine Special Order for SCHIESSER, ADIDAS.
- Bar Tak Machine Developed the Attachment in House for draw core bar tak Directly Without using Single Needle Lock stitch this attachment developed successfully for Vanheusan ..save 1 single needle Lock Stitch Machine with operator.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

No technology imported.

(a) The details of technology imported: N.A.

(b) The year of import: N.A.

(c) Whether the technology been fully absorbed: N.A

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A

(iv) The expenditure incurred on Research and Development.

Sarovar Unit

NIL

Noida Unit

NIL

(C) Foreign exchange earnings and Outgo –

During the year, the Company has earned foreign exchange equivalent to ₹26,965.12 Lakh at FOB price against an outgo of ₹2,221.47 Lakh compared to the previous year's ₹31,647.03 Lakh and outgo of ₹11,090.84 Lakh respectively.

Annexure – V to Directors' Report

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) during the financial year 2020-21. (₹ in Lakh)

Sl. No.	Name of Director/KMP and Designation	% increase in remuneration in the financial year 2020-21
1	Shri Shekhar Agarwal- Chairman & Managing Director and CEO	No increase
2	Shri Shantanu Agarwal- Joint Managing Director*	-
3	Shri Atul Kumar Jain- Chief Financial Officer	No increase
4	Shri Virendra Kumar Garg- Company Secretary	No increase

*Shri Shantanu Agarwal- Director of the Company was appointed as Joint Managing Director of the Company w.e.f. 19th June 2020 for a period of five years without remuneration.

2. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company: The ratio of remuneration of Shri Shekhar Agarwal, Chairman & Managing Director and CEO to the median remuneration of the employees of the Company for the financial year 2020-21 is 65:13.
3. The percentage increase in the median remuneration of employees in the financial year is 11.79%.
4. There were 2642 permanent employees on the rolls of the Company as on the 31st March, 2021.
5. Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year i.e. 2020-21 was 5.19 % and increase in the managerial remuneration for the same financial year was nil.
6. It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

Annexure – VI to Directors' Report

Statement of Particulars of Employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Top ten employees in terms of remuneration drawn

S. No.	Name of Employee	Designation	Remuneration (In Lakh)	Qualification	Experience (Year)	Commencement of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed		
										Organisation	Post Held	Duration (Years)
1	Shri Shekhar Agarwal	Chairman & Managing Director and CEO	109.44	B.Tech. (ME) M.S. (Chicago)	43	27/01/1989	755573	Permanent	68	RSWM LTD.	Vice Chairman & Managing Director	25
2	Shri S.N. Goyal	President	83.21	C.A.	36	16/02/2020	700	Permanent	60	BMD Pvt. Ltd.	President	35
3	Shri Sanjay Janghala	Vice President- Operations	71.45	B.Sc.	26	14/10/2019	-	Permanent	48	Orient Craft Ltd.	COO	2.5
4	Shri Atul Kumar Jain	Chief Financial Officer	45.58	C.A.	24	01/06/2017	-	Permanent	46	Jindal Poly Films Ltd.	General Manager-F&A	4
5	Shri Mohit Maheshwari	Sr. Vice President - Marketing	41.56	MBA	23	01/04/1999	-	Permanent	46	-	-	-
6	Shri Naveen Maheshwari	Sr. Vice President - Garment	40.03	B. Com.	35	01/04/2002	-	Permanent	54	HEG Ltd.	Dy. General Manager- MIS	7
7	Shri Navjot Walia	AVP-Marketing	32.87	B.Tech Textile	29	07/03/2011	-	Permanent	51	Souza Designs Ltd	GM	1
8	Shri Gajendra Kumar Lodha	Vice President - Commercial	29.57	C.A.	20	16/08/2019	-	Permanent	45	Chenab Textile mills, Kathua	A.V.P. (Finance)	4.5
9	Shri Parvez Alam Siddique	Asstt. Vice President - Fabric Processing	26.16	Dip. in Textile Technology, B.C. Chemistry	24	01/01/2019	-	Permanent	48	Texport Ind. Pvt.Ltd	Operation Head	1.7
10	Shri Prem Pal Choudhary	Head Production	25.21	B.Tech Textile	25	01/8/2019	-	Permanent	48	Paragon Apparel Pvt. Ltd.	Production Head	0.3

B. Persons employed throughout the financial year & paid ₹ one Crore two Lakh P.A. or more:-

S. No.	Name of Employee	Designation	Remuneration (In Lakh)	Qualification	Experience (Year)	Commencement of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed Organisation	Post Held	Duration (Years)
1	Shri Shekhar Agarwal	Chairman & Managing Director and CEO	109.44	B.Tech. (ME) M.Sc (Chicago)	42	27/01/1989	755573	Permanent	68	RSWM LTD.	Vice Chairman & Managing Director	25

NOTES:

- Shri Shekhar Agarwal, Chairman & Managing Director and CEO is relative of Shri Shantanu Agarwal, Joint Managing Director of the company.
- None of the persons was employed for part of the year in receipt of remuneration aggregating to rupees eight lac fifty thousand or more per month except Shri Shekhar Agarwal.
- None of the employees draw remuneration more than the remuneration drawn by the Managing Director and hold by themselves or along with their spouse and dependent children, more than two per cent of the equity shares of the Company.
- The above remuneration are CTC of the employees of the Company.

Corporate Governance Report

In compliance with Corporate Governance requirements as prescribed in Regulation 34(3) read with Part C of Schedule V by SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 as amended, the Company's Report on Corporate Governance for the year ended 31st March, 2021 is set out below for information of the stakeholders and investors of the Company.

The Management of the Company believes that good companies are built on the foundation of ethical governance practices and cores values built over the years. Corporate Governance is all about effective management of relationship among the various constituents of the company i.e. shareholders, management, employees, customers, vendors, regulatory authorities and the community at large. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices that ensure that a Company meets its obligations to optimize shareholders' value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society. The Board of Directors of the Company plays a pivotal role in good corporate governance by building up strong principles and values on which the Company operates.

1. Company's Philosophy on Corporate Governance.

The Company is a part of the LNJ Bhilwara Group which has an established reputation of ethical values, integrity and sound governance over more than 60 years. The Company is of a firm believe that an effective framework of corporate governance is the foundation for sustainable growth. The Company's philosophy on corporate governance has been to adhere to the highest standards of ethical behavior and fairness towards shareholders, employees, regulators, customers, suppliers, lenders and other stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. Transparency, accountability, integrity

and professionalism are deeply embedded in the Company's culture. Corporate Governance has been a continuous journey for the Company in its pursuit towards achieving the highest standards of corporate values and striving assiduously to adopt the best global practices. Good governance practices combined with strong leadership has been the inherent strength of the Company.

The Company abides by well-accepted norms of ethical, moral and legal conduct in all its business operations. The Company encourages and promotes a culture of intensive deliberations, transparency and impartiality in its dealings with stakeholders and the public at large. As a good corporate citizen, the Company lays great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business. As a testament to its robust corporate governance practices and ethical conduct of business, Codes of Conduct have been adopted by the Company for Directors, Senior Management Personnel and Independent Directors and hosted on the website of the Company.

Our corporate governance is a reflection of our philosophy for long term value creation. Through effective corporate governance, your Board seeks to imbibe and sustain a culture that will enable the Company to achieve its long-term strategic objectives, by building durable partnerships and upholding its core values of safety, teamwork, excellence, respect and integrity. The Company believes that any meaningful policy on Corporate Governance must empower the executive management of the Company.

The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and Independent Board. We consider ourselves as trustees of our shareholders and relentlessly attempt to maximize long-term shareholder value. The

Board consists of eminent and competent professionals from different backgrounds who are constantly guiding the management in putting in place the best systems, processes and technology, and create an effective leadership team.

Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve business excellence by enhancing long-term shareholders' value.

Your Company has complied with all the requirements stipulated under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended ("Listing Regulations") and the Companies Act, 2013 ("Act"), as applicable, with regard to Corporate Governance and listed below is its status.

2. Board of Directors

Composition

The Board of Directors guide, direct and oversee the management and protect long term interests of stakeholders, employees and society at large. The Board also ensures compliance of the applicable provisions, code of ethical standards and accurate financial reporting. During the year, the Board had six Directors comprising two Executive Director including a Chairman, one Non-Independent Non-Executive Director and three Independent Directors (out of which one is a Women Director) which were drawn from diverse fields / professions. The Directors have expertise in the field of strategy, human resource development, management, law, finance, technology etc. The Board discharges its fiduciary

relationships by providing guidance and independent view to the Company's Management. The Board comprises an optimum combination of Executive and Non-Executive Directors with the Chairman of the Board as an Executive Director. All the Directors except the Chairman & Managing Director and Independent Directors are liable to retire by rotation.

During the year, Shri Shekhar Agarwal, Managing Director & CEO has been appointed as Chairman with effect from 19th June, 2020. Shri Shekhar Agarwal, Chairman & Managing Director and CEO and Shri Shantanu Agarwal, Joint Managing Director conducted the day to day management of the Company subject to the supervision and control of the Board of Directors. During the year, the appointment of Shri Shantanu Agarwal as Joint Managing Director was approved by the members at the Annual General Meeting of the Company held on 29th September, 2020. Further, during the year, the re-appointment of Smt. Archana Capoor as an Independent Director for a second consecutive term of 5 years w.e.f. 6th November, 2020 was also approved by the members at the Annual General Meeting of the Company held on 29th September, 2020.

The name and categories of Directors on the Board, their attendance at the Board meetings held during the year along with the number of Directorships, Memberships and Chairmanships held in various Committees in other Companies during the financial year ended the 31st March, 2021, are given below:

Directors Attendance Record and details of Directorship Held:-

Name Designation & Category of Directorship	No. of Meetings		No. of other Directorships and Committee Membership/ Chairmanship		No. of other Directorship held in Listed Companies	
	Held	Attended	Directorships*	No. of Membership(s) / Chairmanship (s) of Board Committees in other Companies as on 31.03.2021#	Name of the Company	Category of Directorship
Shri Shekhar Agarwal, Chairman & Managing Director and CEO, Promoter Executive	6	6	4	3	Bhilwara Technical Textiles Limited	Chairman & Managing Director and CEO
					BSL Limited	Director
					HEG Limited	Director
					RSWM Limited	Director

Contd..



Directors Attendance Record and details of Directorship Held:- (Contd.)

Name Designation & Category of Directorship	No. of Meetings		No. of other Directorships and Committee Membership/ Chairmanship		No. of other Directorship held in Listed Companies	
	Held	Attended	Directorships*	No. of Membership(s) / Chairmanship (s) of Board Committees in other Companies as on 31.03.2021#	Name of the Company	Category of Directorship
Shri Ravi Jhunjunwala, Promoter-Non-Executive	6	6	8	6 (including 2 as Chairman)	BSL Limited	Director
					HEG Limited	Chairman & Managing Director
					India Glycols Limited	Director
					J K Lakshmi Cement Limited	Director
					RSWM Limited	Director
Shri Shantanu Agarwal-Joint Managing Director, Promoter-Executive	6	6	1	1	Bhilwara Technical Textiles Limited	Director
Dr. Kamal Gupta, Non- Executive, Independent Director	6	6	5	7 (including 2 as Chairman)	HEG Limited	Director
					RSWM Limited	Director
Shri Priya Shankar Dasgupta, Non- Executive, Independent Director	6	5	7	6 (including 3 as Chairman)	Bhilwara Technical Textiles Limited	Director
					Cummins India Limited	Director
					Ester Industries Limited	Director
					RSWM Limited	Director
					Timken India Limited	Director
					Birla Cable Limited	Director
Smt. Archana Capoor, Non- Executive, Independent Director	6	6	5	3 (including 1 as Chairman)	RSWM Limited	Director
					S. Chand and Company Limited	Director
					Sandhar Technologies Limited	Director

Notes:

* Excludes Directorships held in Private Limited Companies, Foreign Companies, Section 8 Companies Membership of Management Committee of various Chambers / Bodies.

includes Chairmanship/Membership in Audit Committee and Stakeholders Relationship Committee of Public Limited Companies. None of the Directors is a member of more than ten Board level Committees and Chairman of five such Committees across all the Public Companies in which he/she is a Director.

None of the Directors are related to each other except Shri Shekhar Agarwal, who being father of Shri Shantanu Agarwal, is related to him.

Matrix setting out the skills/expertise/competence of the Board of Directors:

S. No.	Name of Director	Skills/Expertise/Competence					
		Finance	Law	Management	Technical Operations	Marketing/Sales	Administration
1	Shekhar Agarwal- Chairman & Managing Director and CEO	√	-	√	√	√	√
2	Ravi Jhunjunwala- Non Independent Director	√	-	√	√	√	√
3	Shantanu Agarwal- Joint Managing Director	√	-	√	√	√	√
4	Kamal Gupta- Independent Director	√	√	√	-	-	√
5	Priya Shankar Dasgupta- Independent Director	√	√	-	-	-	√
6	Archana Capoor- Independent Director	√	-	√	-	√	√

Number of Board Meetings

The Board of Directors meets regularly throughout the financial year. The Board had met six times during the year. The maximum time gap between any two consecutive meetings was as per the provisions of Companies Act 2013 and Listing Regulations 2015 as amended time to time. The meetings of the Board of Directors during the financial year ended 31st March, 2021 were held on the 21st May, 2020, 19th June, 2020, 7th August, 2020, 30th October, 2020, 28th January, 2021 and 05th March, 2021.

Agenda papers containing all the necessary information were sent in advance to all the Directors of the Company on a timely basis to facilitate them in planning their schedule and to ensure meaningful participation in the meetings. Presentation are made on various business plans, budgets etc. Relevant decisions taken by the Board / Committee meetings are then communicated to the concerned departments / divisions.

The Annual General Meeting of the Company was held on 29th September, 2020 through Video Conferencing / Other Audio Visual Means during the financial year ended 31st March, 2021 was attended by all the Directors of the Company. The Chairman of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Company was also attended the aforesaid Annual General Meeting. The Statutory and Secretarial Auditors also attended the said AGM.

The Board reviews the declaration made by the Management regarding compliance with applicable laws on quarterly basis as well as steps taken by the Company to rectify instances of non-compliances, if any.

Board Independence:

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 as amended and Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Directors and on evaluation

of the relationships disclosed, all Non-Executive Directors other than Shri Ravi Jhunjunwala are Independent in terms of Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 as amended and Section 149(6) of the Companies Act, 2013. During the year under review, the Independent Directors fulfilled the conditions specified in the Listing Regulations and are independent of the management.

All the Independent Directors have given the declaration of their independence at the beginning of the financial year or at the time co-option of the Board.

Directors with materially significant pecuniary relationship or Business Transaction with the Company

Executive Directors receive salaries, allowances, perquisites and perks while other Directors are paid sitting fees for attending the Board meeting and other Committee meetings of the Board. There is no materially significant pecuniary relationship or transaction between the company and its Directors in the financial year under review.

Familiarization program for Independent Directors

All new Independent Directors inducted to the Board attend a familiarization program, about the Company, its products, business and the on-going events relating to the Company. All new Independent Directors are provided with certain documents which help them to get an overview of the Company. The new Independent Director meets with the Board members and senior management. Presentations were made by the Managing Director giving an overview of the annual operating plans and Budgets of the Company. All Independent Directors meet periodically with other Key Managerial Personnel, functional heads of the units, head of HR, IT department etc. to help them understand the service and product management and such other areas related to the Company. The details on the Company's Familiarization Program for Independent Directors can be accessed at: <https://www.maraloverseas.com/pdf/MOL%20FAMILIARISATION%20PROGRAMME-2020-21.pdf>

Share holding of Non-Executive Director

Equity Shares held by Non-Executive Directors as on the 31st March, 2021

Name of Director	Category	Number of shares held
Shri Ravi Jhunjunwala	Promoter- Non Executive	Nil
Dr. Kamal Gupta	Independent- Non Executive	1,000
Shri Priya Shankar Dasgupta	Independent- Non Executive	Nil
Smt. Archana Capoor	Independent- Non Executive	Nil

Information placed before the Board:

The Board has complete access to all information about the Company. The following information is regularly provided to the Board:

- Annual operating plans & budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results for the Company and operating divisions and business segments.
- Minutes of the Meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations like wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which are not in the normal course of business.

- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer among others.
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 2018.
- Quarterly Compliance Report and Investor Grievance Reports.
- Certificate with respect to Regulation 7(3) and 40 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Board is presented with detailed notes on these matters, as part of the agenda papers of the meeting or directly tabled at the Board meetings, as and when required.

The Board reviews the declaration made by the Management regarding compliance with applicable laws on quarterly basis as well as steps taken by the Company to rectify instances of non-compliances, if any.

3. Committees of the Board

The Board's Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board's Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to have been performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. With a view to have a better Corporate Governance and accountability, the Board has constituted following Committee viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

I. Audit Committee

The role of Audit Committee is as set out in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with Section 177 of the Companies Act, 2013. The Audit Committee of the Board comprises the following members as on 31st March, 2021:-

- 1) Dr. Kamal Gupta : Independent Director
- 2) Shri Priya Shankar Dasgupta : Independent Director
- 3) Shri Shantanu Agarwal : Executive Director

Majority of the members of the Audit Committee are Non-Executive and Independent Directors. Dr. Kamal Gupta is the Chairman of the Audit Committee. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board. Dr. Kamal Gupta, Chairman of the Audit Committee, possesses high degree of accounting and financial management expertise and all members of the Committee have sound accounting and financial knowledge.

Shri Virendra Kumar Garg, Company Secretary is also Secretary to the Committee. Invitees to the Audit Committee include the Chairman & Managing Director and CEO, other Directors, Chief Financial Officer, President of the Sarovar plant, Vice President of the Garment plant and representative of the Statutory Auditors and Internal Auditors.

The Audit Committee of the Company met five times during the year under review. The meetings were held on 19th June, 2020, 7th August, 2020, 30th October, 2020, 28th January, 2021 and 5th March, 2021. Details of attendance of Audit Committee are given below:

Name of the member	Category	No. of meetings held during the year	No. of meetings attended
Dr. Kamal Gupta	Independent – Non Executive Director	5	5
Shri Priya Shankar Dasgupta	Independent- Non Executive Director	5	5
Shri Shantanu Agarwal	Executive Director	5	5

The representative of Statutory Auditors and Internal Auditors regularly make presentations in the Audit Committee meeting. The auditors update the Audit Committee with the Audit findings along with their

recommendations and Management comments on the same and the action taken report is presented in the next meeting. The auditors have attended all the Audit Committee meetings held during the year.

Company has performed all functions mentioned in the terms of reference of the Audit Committee as listed in the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The role of the Audit Committee includes the following:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory and internal auditors for any other services rendered by the statutory and internal auditors.
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to Financial Statements.
 - Disclosure of any Related Party Transactions.
 - Modified Opinions in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other



than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions, submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Internal Auditor are reviewed by the Audit Committee.
- To review the information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable.
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice.

Pursuant to its terms of reference, the Audit Committee is empowered to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant expertise, when considered necessary.

Internal Financial Control and its adequacy

The Company has laid down policies and procedures for ensuring orderly and efficient conduct of its business including safeguarding of assets, prevention and detection of fraud and other irregularities, the accuracy and completeness of the accounting records and timely preparation and disclosure of financial information representing true and fair view and free from material misstatement. The Committee also reviews various policies of the Company to make it consistent with current business practices and procedures.

II. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted

in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with Section 178 of the Companies Act, 2013. The Committee comprised of following members as on the 31st March, 2021:-

- 1) Dr. Kamal Gupta - Independent Director
- 2) Shri Shekhar Agarwal - Executive Director
- 3) Shri Shantanu Agarwal - Executive Director

Dr. Kamal Gupta is the Chairman of the Committee. Shri Virendra Kumar Garg, Company Secretary is the Compliance Officer of the Company. The terms of reference of the Committee are as follows:

- a) Consider and resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, dematerialization / rematerialisation, etc.
- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- e) Ensure expeditious share transfer process in line with the proceedings of the Share Transfer Committee;
- f) Evaluate performance and service standards of the

Registrar and Share Transfer Agent of the Company;
g) Provide guidance and make recommendations to improve investor service levels for the investors.

The Committee met four times during the year ended 31st March, 2021 on the 19th June, 2020, 7th August, 2020, 30th October, 2020 and the 28th January, 2021.

Details of attendance of Stakeholders' Relationship Committee are given below:

Name of the member	Category	No. of meetings held during the year	No. of meetings attended
Dr. Kamal Gupta	Independent-Non Executive Director	4	4
Shri Shekhar Agarwal	Executive Director	4	4
Shri Shantanu Agarwal	Executive Director	4	4

Investor Complaints

The Company had received nil complaints during the year ended the 31st March, 2021. No Investor Grievance remained unattended /pending for more than 15 days. There were no complaints pending for disposal as on the 31st March, 2021. No request for dematerialization/rematerialization of equity shares of the Company was pending for approval as on the 31st March, 2021.

Details of Shareholders'/Investors' Queries and Grievances received and attended by the Company during the year ended the 31st March, 2021

Sl. No.	Nature of query/complaint	Pending as on 1 st April, 2020	Received during the year	Resolved during the year	Pending as on 31 st March, 2021
1.	Non-receipt of Bonus / Transfer / Transmission / Issue of Duplicate Shares/ Others	Nil	Nil	Nil	Nil
2.	Non-receipt of Dividend, Non receipt of Refund Order & Non-receipt of Annual Report	Nil	Nil	Nil	Nil
3.	Dematerialization/ Rematerialization of shares	Nil	Nil	Nil	Nil



The Company also has a Share Transfer Committee to look after requests for transmission of equity shares, issue of duplicate share certificates, consolidation/split/ replacement of share certificates and for rematerialization of shares. The Share Transfer Committee presently comprises of:

- 1) Shri Shekhar Agarwal
- 2) Dr. Kamal Gupta

The Share Transfer Committee of the Company meets as often as required under the chairmanship of Shri Shekhar Agarwal, Chairman & Managing Director and CEO. All valid requests for share transfer received during the year have been acted upon by the Company within the stipulated time limit.

The Board of Directors has also delegated the authority to approve the share transfers to Shri Shekhar Agarwal, Chairman & Managing Director and CEO and Shri Atul Kumar Jain, Chief Financial Officer who attend and approves the share transfer requests on a fortnightly basis.

Pursuant to Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Compliance certificates on half yearly basis, submitted to the Stock Exchange duly signed by the Compliance Officer and the authorized representative of the share transfer agent certifying that all activities in relation to both physical and electronic share transfer facility are maintained with Registrar to an issue and share transfer agent registered with the Board.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, certificates on half yearly basis, had been issued by a practicing Company Secretary for due compliance of share transfer formalities by the Company.

Reconciliation of Share Capital Audit

A qualified practicing Chartered Accountant carries out an audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL) and the total issued and listed capital and places the Report for the perusal of the Board. The report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Further, the aforesaid reports were duly submitted with the Stock Exchanges within the stipulated time as per Listing Regulation 2015 as amended.

III. Corporate Social Responsibility Committee

The Company had constituted the Corporate Social Responsibility Committee (CSR) in line with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder. Shri Priya Shankar Dasgupta acted as the Chairman of the Committee. The Committee comprised of the following members as on 31st March, 2021.

1. Shri Priya Shankar Dasgupta - Independent Director
2. Dr. Kamal Gupta - Independent Director
3. Shri Shekhar Agarwal - Executive Director
4. Shri Shantanu Agarwal - Executive Director

The Corporate Social Responsibility Committee shall function as under:

- Formulate and recommend to the Board, the Corporate Social Responsibility policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities undertaken by the Company.
- Monitor the Corporate Social Responsibility policy from time to time.
- Carry out such other functions as are required or appropriate in discharging their duties.

The Committee is not only responsible for the philanthropy activities carried out by the Company but also ensure that the same is properly undertaken within the set time frame. Further, while considering the benefit of the shareholders, the Committee also considers the social and environment responsibilities to fulfill the expectations of the society at large.

The Committee met four times during the year under review. The meetings were held on the 19th June, 2020, 7th August, 2020, 30th October, 2020 and 28th January, 2021.

Details of attendance of CSR Committee are given below:

Name of the member	Category	No of meetings held during the year	No of meetings Attended
Shri Priya Shankar Dasgupta	Independent- Non Executive Director	4	4
Dr. Kamal Gupta	Independent- Non Executive Director	4	4
Shri Shekhar Agarwal	Promoter- Executive	4	4
Shri Shantanu Agarwal	Promoter- Executive	4	4



The Company has formulated the CSR policy wherein the activities mentioned under Schedule VII of Companies Act 2013 are covered. The detail of amount spent on CSR by the Company is forming part of this report. The CSR policy is updated on the website of the Company link of which is given below:

https://www.maraloverseas.com/pdf/MOL_CSR_Policy.pdf

IV. Nomination & Remuneration Committee

The constitution of Nomination & Remuneration Committee is in accordance with the provisions as contained in Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The terms and reference of the Nomination & Remuneration Committee inter-alia include the following:-

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria and recommend to the Board their appointment and removal.
- Formulate the criteria for evaluation of performance of Independent Director's and Board of Directors
- Formulate the criteria for determining qualification, positive attributes and independence of a Director.
- To devise a policy on Board diversity.
- To determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the Report of performance evaluation of Independent Directors.
- Recommend to the Board a policy relating to the remuneration for the Directors, KMP, Senior Management and other employees.
- Succession planning for the Board and Senior Management of the Company.
- Determining the appropriate size and composition of the Board.
- Recommendation to the Board, all remuneration, in whatever form, payable to the Senior Management.
- Carry out such other functions as are required or appropriate in discharging their duties.

Dr. Kamal Gupta is the Chairman of the Committee. The Nomination & Remuneration Committee comprised of following members as on the 31st March, 2021:

- 1) Dr. Kamal Gupta : Independent Director
- 2) Shri Priya Shankar Dasgupta : Independent Director
- 3) Smt. Archana Capoor : Independent Director

During the year Smt. Archana Capoor, Independent Director of the Company was appointed as a member of the Nomination & Remuneration Committee w.e.f. 19th June, 2020 in place of Shri Shantanu Agarwal. During the year Shri Shantanu Agarwal was appointed as a Joint Managing Director of the Company for a period of five years with effect from the 19th June, 2020 and Shri Shekhar Agarwal, Managing Director and CEO of the Company was appointed as Chairman of the Board of the Company at its meeting held on 19th June, 2020.

The Committee met twice during the year under review ended the 31st March, 2021 on 19th June, 2020 and 28th January, 2021.

Details of attendance of Nomination & Remuneration Committee are given below:

Name of the member	Category	No. of meetings held during the year	No. of meetings attended
Dr. Kamal Gupta	Independent- Non-Executive Director	2	2
Shri Priya Shankar Dasgupta	Independent- Non-Executive Director	2	2
Smt. Archana Capoor	Independent- Non-Executive Director	2	1

Nomination and Remuneration Policy

Pursuant to SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 and relevant provision of Companies Act 2013, the Company has framed a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management which is reviewed and approved by the Board of Directors on the commendation of the Nomination & Remuneration Committee. The policy is in consonance with the existing industry practice and forms part of Directors Report. The policy is also available on the website of the company under the following: <https://www.maraloverseas.com/pdf/NOMINATION-AND-REMUNERATION-POLICY.pdf>

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes determination of salary, perquisites, commission to be paid to the Company's Managing Director(s), along with



retirement benefits. The compensation terms of Executive Directors are approved by the Board of Directors upon recommendation of the Nomination & Remuneration Committee and subsequently approved by the Shareholders in the General Meeting. The Nomination & Remuneration Committee recommends the remuneration based on the criteria such as responsibilities given, past track record of performance, industry standards and various other factors. The Directors are paid sitting fees for attending the Board meetings as well as other Committee meetings.

The Board has carried out the performance evaluation of its own performance, Committees and individual Directors. An evaluation is done taking into consideration a person's leadership, coordinating and steering skills, frequency for attending the meetings, initiatives, contribution, integrity etc.

The performance evaluation of Independent Directors is done by the entire Board of Directors, excluding the Director being evaluated. The criteria for evaluation

Remuneration Paid or Payable to Directors for 2020-21

(₹ in Lakh)

Name of Director	Category	Sitting Fee*	Salary	Benefits, perquisites and allowances#	Commission	Total
Shri Shekhar Agarwal ⁵	Promoter- Chairman & Managing Director and CEO	-	107.81	4.48	49.91	162.20
Shri Ravi Jhunjunwala	Promoter- Non Executive	3.00	-	-	-	3.00
Shri Shantanu Agarwal	Promoter- Joint Managing Director	6.80	-	-	-	6.80
Dr. Kamal Gupta	Independent- Non Executive	8.00	-	-	-	8.00
Shri Priya Shankar Dasgupta	Independent- Non Executive	6.50	-	-	-	6.50
Smt. Archana Capoor	Independent- Non Executive	4.00	-	-	-	4.00

*Includes Sitting for all committee meetings.

includes retirement benefits excluding leave encashment & gratuity.

⁵Shri Shekhar Agarwal, Chairman & Managing Director and CEO holds 1.82 % of Equity Shares in the Company as on 31st March, 2021.

During the year ended the 31st March, 2021, the Company did not advance any loans to any of its Directors. Further, during the year the Company did not give any Stock Option and Bonus Scheme.

V. Independent Directors Meeting

Pursuant to the Code of Independent Directors and Regulation 25(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the meeting of the Independent Directors held on 28th January, 2021 without the attendance of Non-Independent Directors and members of management to inter-alia:

are as per the Nomination and Remuneration Policy of the Company. Evaluation is also conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

Remuneration of Executive Directors, Key Managerial Personnel and Senior Management

The remuneration of Executive Directors, Key Managerial Personnel and Senior Management is paid on monthly basis as approved by the Board on the recommendation of the Nomination & Remuneration Committee and the remuneration of Executive Directors is also subject to the approval of the shareholders in accordance with the statutory provisions of the Companies Act, 2013 and the rules made there under for the time being in force.

Sitting fees to the Director: - Directors were paid sitting fees for attending the Board and Committee meetings.

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

Letter of Appointment

At the time of appointment, the Independent Director is required to sign a duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment. The terms and conditions of the appointment of the Independent Directors are available on the Company's website i.e. https://www.maraloverseas.com/pdf/Letter_of_Appointment_Independent_Director.pdf

Board Evaluation Mechanism

The Board is responsible for undertaking a formal annual evaluation of its own performance, Committees and individual Directors with a view to review their functioning and effectiveness and to determine whether to extend or continue the term of appointment of the Independent Directors. During the year, the Board carried out the performance evaluation of itself, Committees and each of the Executive Directors/Non-executive Directors/Independent Directors excluding the Director being evaluated. The evaluation of performance of Independent Director is based on the criteria laid down in the Nomination and Remuneration policy which includes knowledge and experience in the field of textile industry, legal, finance and CSR activities.

Performance evaluation of Independent Directors

Pursuant to the Code of Independent Directors and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the performance evaluation of Independent Directors is to be done by the entire Board of Directors except the Director who is being evaluated. The criteria for the evaluation of performance are laid down in the Nomination and Remuneration policy. The evaluation of the performance is being done on an annual basis. As on 31st March, 2021, the Company has the following Independent Directors: Dr. Kamal Gupta, Shri Priya Shankar Dasgupta and Smt. Archana Capoor. The Directors expressed their satisfaction with the outcome of the evaluation process.

8. Management Discussion and Analysis

The Management Discussion and Analysis Report forms part of this Annual Report. During the financial year ended the 31st March, 2021, there was no material financial or commercial transactions by the Company with its Promoters, Directors, Management or relatives, etc. that may have potential conflict with the interests of the Company at large.

9. General Body Meetings

The details of the location and time of the Annual General Meetings held during the preceding three years are as follows:

Annual General Meetings (AGM)

Date of AGM	Relevant financial year	Time of meeting	Venue/location where held	Special Resolution passed
20 th September, 2018	2017-18	11:00 A.M.	Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone Madhya Pradesh – 451660	3
19 th September, 2019	2018-19	11:00 A.M.	Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone, Madhya Pradesh – 451660	4
29 th September, 2020	2019-20	02:00 P.M.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). The deemed venue of the AGM was : Maral Sarovar, V& P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone, Madhya Pradesh – 451660	3

The following Special Resolutions were taken up in the last three Annual General Meetings and were passed with requisite majority:-

2017-18

- Approval of the remuneration payable to Shri Shekhar Agarwal (DIN 00066113) Managing Director of the Company for the financial year 2017-18 and for his remaining tenure upto 31st March, 2019.
- Approval for continuation of Shri Dharmendra Nath Davar as an Independent Director from 1st April, 2019 till the present term expiring on 25th September, 2019.



- III. Approval for partial extension of period of redemption of 12,00,000 3 % Cumulative Redeemable Preference Shares of ₹100 each issued to the Promoters which are due for redemption on 31st March, 2019 i.e. 50% proportionately in two tranches in the year 31st March, 2019 and 31st March, 2020 respectively.

2018-19

- I. Re-appointment of Shri Shekhar Agarwal (DIN: 00066113) as Managing Director of the Company for a period of three years w.e.f. 1st April, 2019.
- II. Re-appointment of Dr. Kamal Gupta, (DIN: 00038490) as an Independent Director of the Company for a second term of five consecutive years starting from 26th September, 2019.
- III. Re-appointment of Shri Priya Shankar Dasgupta, (DIN: 00012552) as an Independent Director of the Company for a second term of five consecutive years starting from 26th September, 2019.
- IV. Approval for extension of period of redemption of 6,00,000 3% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100/- each issued to the promoters, which are due for redemption on 31st March, 2020, for a period of one year i.e. 31st March, 2021.

2019-2020

- I. Re-appointment of Shri Archana Capoor (DIN: 01204170) as Independent Director of the Company for a second term of five consecutive years starting from w.e.f. 6th November, 2020.
- II. Appointment of Shri Shantanu Agarwal, (DIN: 02314304) as Joint Managing Director of the Company for a period of five years with effect from 19th June, 2020.
- III. Approval for extension of period of redemption of 6,00,000 3% Cumulative Redeemable Preference Shares (CRPS) of ₹ 100/- each issued to the promoters, which are due for redemption on 31st March, 2021, for a period of one year i.e. 31st March, 2022 without change in other terms of issue.

Postal Ballot

During the year ended 31st March 2021, no Resolution was required to be passed through Postal Ballot. Further, no Resolution has been proposed to be conducted through postal ballot.

10. Disclosures:**(i) Basis of Related Party Transactions:**

- During the period under review, there is no materially significant related party transaction with any of the related parties.
- In accordance with Regulation 23(9) of Listing Regulation, 2015, disclosure of Related Party Transactions is made to the Stock Exchange on half yearly basis within 30 days from the date of publication of financial results. The same is also updated on the website of the Company.
- The related party transactions are being done on an arm's length basis and in the ordinary course of business and do not have any possible conflict with the interests of the Company. Transactions with related parties entered into by the Company in the ordinary course of business were placed before the Audit Committee.
- As required by Accounting Standards (Ind-AS-24), the details of related party transactions are given in note 40 to the Financial Statements.
- The policy for dealing with the Related Party Transactions as approved and amended by the Board of Directors is disclosed on the website of the Company under the following link: <https://www.maraloverseas.com/pdf/Related-Party-Transaction-Policy.pdf>

(ii) Non Compliance by the Company in previous years:

No penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or Board or any statutory authority relating to capital markets during the last three years.

(iii) Whistle Blower Policy:

The Company has implemented a vigil mechanism, through which the employees, Directors and other stakeholders can report matters to the Nodal Officer, with the objective of pursuing its business in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct. The Company has adopted a framework whereby the identity of the complainant is not disclosed. During the year under review, no person was denied access to the Audit Committee.

(iv) Compliance with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended.

The Company is fully compliant with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended. A certificate from Statutory Auditors to this effect is forms part of this Annual Reports.

(v) Disclosure of Accounting Treatment in preparation of Financial Statements:

The Company has followed the same Accounting treatment as prescribed in the relevant Indian Accounting Standards while preparing the Financials Statements.

(vi) Board Disclosures – Risk Management:

The Company has a well-defined risk management framework in place. Under this framework, the Management identifies and monitors business risks on a continuous basis and initiates appropriate risk mitigation steps as and when deemed necessary. The Company has established procedures to periodically place before the Board the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate those risks through a properly defined framework.

(vii) Material Subsidiary:

The Company does not have any subsidiary. However, the policy of the same as approved by the Board of Directors is disclosed on the website of the Company under the following link: <https://www.maraloverseas.com/pdf/Material-Subsidiary.pdf>

11. Discretionary Requirements

The Company has complied with all mandatory requirements prescribed by SEBI Listing Regulations 2015 and the Company has also complied with below mentioned discretionary requirements as stated under Part E of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

1. The Company's financial statements are unmodified and the Company continues to adopt best practices to ensure the requirement of unmodified opinion.
2. The reports of Internal Auditors of all Units are placed directly before the Audit Committee in every quarter.

12. Compliance with Corporate Governance Requirements

During the year under review, the Company has complied with the condition of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015. Compliance Certificate from M/s. S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi (Firm Registration No. 000756N), and M/s. P. K. Deora & Co., Chartered Accountants, New Delhi (Firm Registration No. 004167N) Statutory Auditors of the Company regarding compliance of the condition of Corporate Governance forms part of this Annual Report.

The observations of the Auditors, if any, are explained wherever necessary, in the appropriate notes to the accounts. The Auditors' Report does not contain qualification, reservation or adverse remark.

13. Initiatives on Prevention of Insider Trading Practices

The Company has a policy of Prohibiting Insider Trading in compliance with applicable regulations of the Securities and Exchange Board of India (SEBI). The objective of this policy is to prevent purchase and sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Necessary procedures have been laid down for Directors, officers and designated employees, for trading in the securities of the Company. To deal in securities, beyond specified limit, permission of compliance officer is required. The policy and the procedures are periodically communicated to the employees who are considered as insiders of the Company. Trading Window closure, are intimated to all the Directors, designated employees and insiders, in advance, whenever required. During the year under review, the Company implemented the mechanism for maintaining the structural digital data base in line with the requirement of SEBI under PIT Regulation.

14. Code of Conduct

The Company's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Company is committed to conduct its business in accordance with the pertinent laws, rules and regulations and with the highest standards of business ethics. A copy of code of conduct, as amended from time to time, has been placed on the Company's website www.maraloverseas.com. All members of the Board and Senior Management Personnel have confirmed compliance with the code of conduct for the year under review and a declaration to that effect, signed by CEO and CFO forms part of this Annual Report.

15. CEO and CFO Certification

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the certification of CEO and CFO on the financial statements for the year forms part of this Annual Report.



16. Audit Qualifications

The Company's Financial Statements are free from any qualifications by the Auditors and Company continues to adopt best practices to move towards a regime of unqualified financial statements.

17. Means of Communication

Effective communication of information is considered a very essential component of Corporate Governance. The Company interacts with their shareholders through various means of communication i.e. print media, Company website, annual report etc.

Quarterly/ Half yearly / Annual Results

The quarterly, half yearly and annual results (audited) are sent immediately to the Stock Exchanges after they are approved by the Board of Directors. The same are also displayed on Company's website at www.maraloverseas.com. The Company publishes its results, in accordance with Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended in at least one prominent national and one regional newspaper. The Company has a designated email-id maral.investor@injbhilwara.com.

18. Shareholders

Re-appointment of Non-Independent Directors

Two Non-Independent Directors of your Company are liable to retire by rotation. Of these Directors, at least one-third retires every year and if eligible, propose themselves for re-appointment. This year, Shri Shantanu Agarwal is retiring by rotation and being eligible, offers himself for re-appointment in the Annual General Meeting.

Shri Shantanu Agarwal- (Age-35)

Shri Shantanu Agarwal is the Joint Managing Director of the Company. He holds a degree in B.S. in Electrical and Computer Engineering from Carnegie Mellon University, USA; MBA from Wharton School of Business (University of Pennsylvania), USA. He joined the Board of the company on 22nd April, 2014 and was appointed as Joint Managing Director of the Company on 19th June, 2020. He is an industrialist with diversified business experience.

Details of Directorships held in other companies:-

Directors Name	Name of the Company in which Directorship held *	Committee Chair-manship	Committee Member-ship
Shri Shantanu Agarwal	Bhilwara Technical Textiles Limited	NIL	Audit Committee

*Excludes Directorships held in Private Limited Companies, Foreign Companies, Membership of Management Committee of various chambers/Bodies/ Section 8 Companies.

19. SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralised web-based complaints redress system.

20. Uploading on BSE and NSE:

The quarterly and annual results, quarterly and annual compliances and all other corporate communications to the Stock Exchanges are filed electronically on BSE (BSE Limited) and NSE (National Stock Exchange Limited).

21. Disclosure on Website:

The Company's website www.maraloverseas.com has separate section "Investor" where the information for the shareholders is available. Annual Report, Financial Result, Shareholding Pattern, Corporate Governance Report etc. are also available on the website of the Company in user friendly manner. The Company ensures that the relevant provision of Regulation 46 of the Listing Regulation, 2015 as amended are complied with.

22. Presentation made to Institutional Investor or to the analysts:

Any presentations and disclosures which are required to be disseminated on the Company's website under the Listing Regulations have been uploaded on the website of the Company.

23. Compliance Confirmation:

It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 of the Listing Regulations 2015 as amended.

24. Certificate of non-disqualification of Directors

Pursuant to Regulation 34(3) and Schedule V para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Shri Pranav Kumar, Company Secretary in Practice vide his certificate dated 30th April, 2021 had confirmed that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority. A certificate of non-disqualification of Directors is forms part of this Annual Report.

Additional Shareholders' Information

1. Annual General Meeting

Date : 31st August, 2021
 Day : Tuesday
 Time : 02:00 P.M.
 Mode : Video Conferencing (VC) or Other Audio Visual Mean (OAVM)
 Venue : The venue of meeting shall be deemed to be Registered Office of the Company at Maral Sarovar, V. & P. O. Khalbujurg, Tehsil Kasrawad, Dist. Khargone - 451660, Madhya Pradesh

2. Financial Calendar/Results

Financial year : 1st April, 2020 to 31st March, 2021

For the year ended 31st March, 2021, results were announced on:

- 7th August, 2020 : First quarter
- 30th October, 2020 : Second quarter and Half year
- 28th January, 2021 : Third quarter and Nine months
- 30th April, 2021 : Fourth quarter and Annual.

For the year ending 31st March, 2022, quarterly results will be announced within 45 days from the end of each quarter except the fourth quarter when the audited annual results will be published within 60 days or as may be permitted due to any unforeseen circumstances.

3. **Dates of Book Closure:** Wednesday the 25th August, 2021 to Tuesday the 31st August, 2021. (Both days inclusive).

4. **Equity Dividend Payment Date:** N.A.

5. Listing of Equity Shares on Stock Exchange:-

- BSE Limited (BSE)- Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
- National Stock Exchange of India Ltd. (NSE)- Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
Listing fee as prescribed has been paid to BSE Ltd. and the National Stock Exchange of India Limited upto 31st March, 2022.

6. Stock Code:

BSE Limited (BSE) : 521018

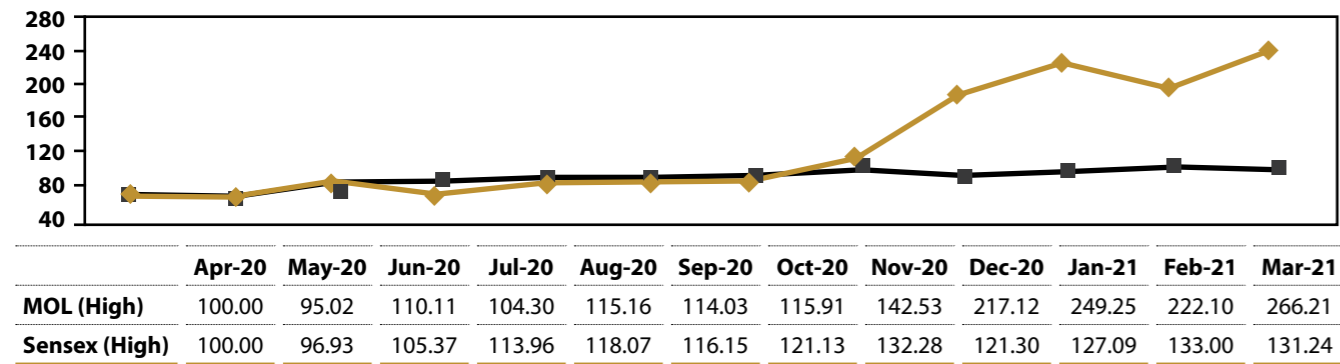
National Stock Exchange of India Ltd. (NSE) : MARALOVER

7. Stock Market Data: Share Price in ₹ of Maral Overseas Limited at BSE /NSE in 2020-21

Months	BSE Ltd.					
	National Stock Exchange of India Limited					
	High	Low	Volume	High	Low	Volume
April-2020	13.26	9.31	10,192	13.75	9.90	84,957
May-2020	12.60	10.10	7,361	12.20	10.10	67,327
June-2020	14.60	10.63	27,417	15.00	11.40	2,11,867
July-2020	13.83	11.23	20,869	13.95	11.55	98,403
August-2020	15.27	11.26	55,445	15.10	11.80	3,94,305
September-2020	15.12	10.77	35,712	14.20	11.80	1,58,570
October-2020	15.37	11.16	66,588	15.60	12.10	2,88,025
November-2020	18.90	12.50	60,269	17.75	14.00	3,68,798
December-2020	28.79	17.82	2,00,403	29.00	18.55	9,74,968
January-2021	33.05	24.40	1,46,781	33.10	26.00	5,90,534
February-2021	29.45	25.35	1,05,179	28.60	26.80	2,66,731
March-2021	35.30	26.00	1,12,208	34.80	28.50	4,09,046

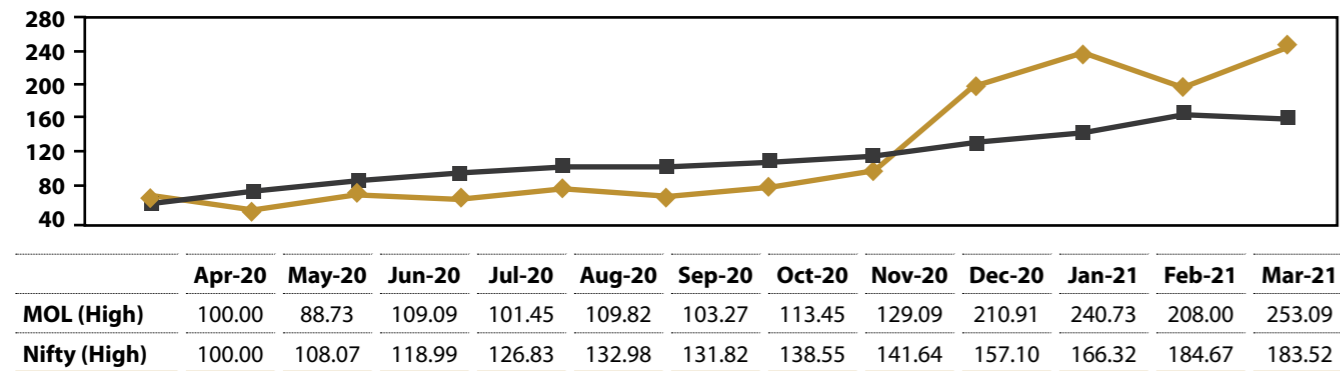


Performance in comparison with BSE Sensex (Both series indexed to 100 as on April, 2020)



Source: BSE Ltd.

Performance in comparison with NIFTY (Both series indexed to 100 as on April, 2020)



Source: National Stock Exchange of India Ltd.

8. Registrar and Transfer Agents:

M/s MCS Share Transfer Agent Limited is the Registrar & Share Transfer Agent of the Company. The Shareholders may contact M/s MCS Share Transfer Agent Limited for matters related to share transfer and transmission etc. at the following address:

MCS Share Transfer Agent Limited
F-65, Okhla Industrial Area, Phase I, 1st Floor, New Delhi – 110 020,
Phone No. (s) : 011-41406149-52, Fax No : 011-41709881,
E- Mail : admin@mcsregistrars.com

9. Share Transfer System:

Matters related to share transfer and transmission etc. are attended by the delegated authorities on fortnightly basis. Share transfers are registered and returned within 15 days from the date of receipt, if the documents are in order in all respects. The total numbers of shares transferred during the financial year ended the 31st March, 2021 were 900 shares. As per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Company has obtained half-yearly certificates from Practicing Company Secretary for due compliance of share transfer formalities. Further as per Regulation 40 of SEBI Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019 except in case of request received for transmission or transposition of securities.



10. Distribution of Shareholding as on the 31st March, 2021.

No. of Equity shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	13,114	86.89	19,69,158	4.54
501-1000	905	6.00	8,52,682	1.87
1001-10000	963	6.38	31,15,346	7.07
10001 and above	110	0.73	35,57,0814	86.52
Total	15,092	100.00	4,15,08,000	100.00

11. Shareholding Pattern as on the 31st March, 2021.

Category	No. of Shares held	Percentage of Shareholding
A Promoters & Promoter Group	3,11,08,829	74.95
B. Public Shareholding		
I Banks	300	0.00
II Financial Institutions and Insurance Companies, Mutual Funds & UTI	1,000	0.00
III Foreign Institutional Investors	5,800	0.01
IV NRIs	60,243	0.15
V Bodies Corporate	15,71,750	3.79
VI Foreign Bodies Corporate	200	0.00
VII Individuals	87,59,878	21.10
Total	4,15,08,000	100.00

12. Dematerialization of Shares and Liquidity:

A. Equity Shares as on the 31st March, 2021

Sl. No.	Description	No. of Share holders	No. of Shares	% of Equity
1.	Central Depository Services India Limited (CDSL)	3,818	2,49,37,012	59.98
2.	National Securities Depository Limited (NSDL)	6202	1,59,28,780	38.47
3.	Physical	5072	6,42,208	1.55
	Total	15,092	4,15,08,000	100.00

The ISIN number for Equity Shares of the Company in NSDL and CDSL is INE882A01013. 4,08,65,792 equity shares were dematerialized till 31st March, 2021 which is 98.45 % of the total paid-up equity share capital of the Company. Trading in Shares of the Company is permitted in dematerialized form only.

B. Cumulative Redeemable Preference Shares (CRPS)

The Company has issued 12,00,000 3% CRPS of ₹100/- each, to persons falling under promoters and promoter group in physical form, out of which 6,00,000 3% CRPS were redeemed on 31st March, 2019 and 4,20,000 3% CRPS to be redeemed on or after 30th April, 2021.

13. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments during the year under review.

**14. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities.****Foreign Exchange Risk and Hedging Activities.**

The Company regulates its activities as laid down under Forex Hedging Policy. The Company periodically reviews the forex exposure along with the hedging positions of the Company. The Company had been continuing with its existing policy of booking Vanilla Forward Cover to the extent of orders in hand to hedge its exposure. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The Company regulates its activities as laid down under forex hedging policy and reviewed periodically. Also refer Management Discussion and Analysis for the same.

Commodity Price Risk and Commodity Hedging Activities.

The Company does not have any exposure hedged through commodity derivatives except foreign currency hedging. In compliance with Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:-

A: - Total exposure of the listed entity to commodities in INR - NIL

B: - Exposure of the listed entity to various commodities

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
NIL							

15. Plant Locations:

- 1) Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Kasrawad, Dist. Khargone-451660, Madhya Pradesh.
- 2) A-11, Hosiery Complex, Phase-II (Extension), Noida- 201 305 (U.P.)
- 3) C-126, Sector-63, Noida-201307 (U.P.)

16. Address for Correspondence

Investor correspondence should be addressed to:

1. Registrar & Share Transfer Agent:

MCS Share Transfer Agent Limited,
F-65, Okhla Industrial Area, Phase I, New Delhi – 110 020
Phone No (s): 011-41406149-52, Fax No: 011-41709881
E-mail: helpdeskdelhi@mcsregistrars.com

2. Company Secretary:

Maral Overseas Limited,
Bhilwara Towers, A-12, Sector 1, Noida- 201301(U.P.)
Phone No: 0120 -4390000, Fax No. : 0120-4277841
E-mail: maral.investor@lnjbhilwara.com

3. Register Office:

Maral Sarovar, V. & P.O. Khalbujurg,
Tehsil Kasrawad, Dist. Khargone-451660, Madhya Pradesh.
Phone No: 91-7285-265401-265405
E-mail: maral.investor@lnjbhilwara.com

17. Credit Rating.

During the year under review, M/s. CARE Ratings Limited (Rating Agency) has reviewed and revised the Long Term and Short Term Bank Facility of the Company as follows;

S. No.	Facilities	Revised Ratings	Previous Ratings
1.	Long Term Bank Facilities	CARE BBB-; Negative (Triple B Minus; Outlook: Negative)	CARE BBB; Stable (Triple B; Outlook: Stable)
2.	Short Term Bank Facilities	CARE A3 (A Three)	CARE A3+(A Three Plus)

The reasons for Negative Outlook

The 'Negative' outlook on the long-term rating of MOL reflects CARE's expectation of lower than previously envisaged operating performance and profitability of MOL in the medium-term due to adverse impact on demand for textile products owing to outbreak of Covid-19 pandemic. Consequently, MOL's profitability, cash accruals and debt coverage indicators are expected to remain lower than previously envisaged in the medium term. This may be partially mitigated by potential cost savings arising from various cost rationalisation measures being undertaken by the company. The outlook may be revised to 'Stable' in case of faster than anticipated recovery in demand resulting in sustained and significant improvement in company's operational and financial risk profile, aided by realisation of envisaged benefits from cost saving measures.

18. Other information to the Shareholders.**a. Green Initiative**

As a responsible corporate citizen, the Company welcomes Green Initiative, by sending communications/documents including Notices for General Meeting and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to the Company or their Depository Participants (DP).

Shareholders who have not registered their e-mail addresses are requested to register/update their e-mail addresses in respect of equity shares held by them in demat form with their respective DPs and in case of physical form with the Company.

b. Internal Complaints Committee (ICC)

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which came into effect from the 9th December, 2013, the Company has formulated an Internal Complaints Committee that will ensure protection of women employees and a work environment free from all forms of sexual harassment- verbal, written, physical, visual or otherwise.

The Committee is formed as per the statute, and is headed by a women employee, the Committee comprises of more than half representation of women and it has adequate independent representation of women from the social and legal fields. It lays down the whole procedure of filling complaint, enquiry, redressal of grievance and taking action against those who are found guilty by the Committee in a fairly transparent manner. The Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are tabulated hereunder:

No. of Complaints Filed during the year	No. of Complaints Disposed off during the year	No. of Complaints Pending as at the end of the year
Nil	Nil	Nil

c. Information pursuant to Regulation 34(3) read with part F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Company transferred 5100 Equity Shares in respect of 43 shareholders in the name of "Maral Overseas Limited – Unclaimed Suspense Account" on the 7th August, 2012 and these shares were subsequently dematerialized. As on 1st April, 2015, 42 shareholders comprising 5000 shares were lying in the unclaimed suspense accounts. During the Financial Year 2015-16,



one shareholder comprising 100 shares has approached for claiming the shares which was duly transferred in the name of shareholder. As on the 31st March, 2021, 41 shareholders bearing 4900 shares are still lying in the Unclaimed Suspense Account.

d. Unpaid / Unclaimed Dividends

There was no amount of unpaid/unclaimed dividend pending with the Company for the last seven years because the company did not declare any dividend since the year 2002-2003. In view of the same, Company had not transferred any dividend amount or shares which are unpaid /unclaimed to the demat account of IEPF Authority as per the provisions of Sections 124 and 125 of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules notified by the Ministry of Corporate Affairs.

- e. During the Financial Year 2020-21, the Company did not raise any funds through preferential allotment or qualified institutions placement.
- f. The total fees for all services paid by the Company on a consolidated basis to the Statutory Auditor are detailed in the notes to the Financial Statements.
- g. There were no recommendations of any Committee requiring mandatory approval of the Board, which were not accepted by the Board.
- h. Company has not obtained any public funding in the last three years.
- i. The Company has no outstanding warrants / convertible instruments.

For and on behalf of the Board

Sd/-

Shekhar Agarwal

Chairman & Managing Director and CEO

DIN -00066113

Place:-Noida (U.P.)

Date: 30th April, 2021

Certification by Chief Executive Officer and Chief Financial Officer of the Company

We, Shekhar Agarwal, Chairman & Managing Director and Chief Executive Officer and Atul Kumar Jain, Chief Financial Officer of Maral Overseas Limited, hereby certify to the Board that:

- a) We have reviewed financial and cash flow statements for the year 2020-21 and that to the best of our knowledge and belief:
 - 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by Maral Overseas Limited during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting in Maral Overseas Limited and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. 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.
- d) We have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
- e) We affirm that we have not denied any personnel access to the Audit Committee of the company (in respect of matters involving alleged misconduct).
- f) We further declare that all Board members and designated senior management have affirmed compliance with the Code of Conduct for the current year.

Sd/-

Shekhar Agarwal

Chairman & Managing Director and Chief Executive Officer

DIN: 00066113

Place : Noida (U.P.)

Date: 30th April, 2021

Sd/-

Atul Kumar Jain

Chief Financial Officer

FCA-094866

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
MARAL OVERSEAS LIMITED
Maral Sarovar V & P.O., Khalbujurg Tehsil,
Kasrawad, Khargone- 451660
Madhya Pradesh, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Maral Overseas Limited** having CIN: L17124MP1989PLC008255 and having registered office at Maral Sarovar V & P.O. Khalbujurg Tehsil Kasrawad Khargone Madhya Pradesh-541660, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Priya Shankar Dasgupta	00012552	28/09/2004
2.	Mr. Kamal Gupta	00038490	13/07/1991
3.	Mr. Ravi Jhunjunwala	00060972	27/11/1996
4.	Mr. Shekhar Agarwal	00066113	27/01/1989
5.	Mrs. Archana Capoor	01204170	06/11/2015
6.	Mr. Shantanu Agarwal	02314304	22/04/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Pranav Kumar & Associates
Company Secretaries
ICSI Unique Code: P2005BI010400

Place: Ghaziabad
Date: 30th April, 2021

Sd/-
Pranav Kumar
Partner
FCS-5013: COP-3429
UDIN: A023822C000220755

Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance

To
The Members of
Maral Overseas Limited

1. We S S Kothari Mehta & Co., Chartered Accountants, and P K Deora & Co the Statutory Auditor of Maral Overseas Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2021, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance in compliance with Corporate Governance requirements by the Company.
- We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), to the extent relevant, the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2021.
- We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

- The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For P K Deora & Co
Chartered Accountants
Firm's ICAI Regd. No: 004167N
Sd/-
Pawan Kumar Deora
Proprietor
(Membership No: 083308)
UDIN: 2108330BAAAAA5272
Place : New Delhi
Date : 30th April, 2021

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm's ICAI Regd. No.:000756N
Sd/-
Neeraj Bansal
Partner
(Membership No: 095960)
UDIN: 21095960AAAADC3386

Independent Auditor's Report

To the Members of Maral Overseas Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Maral Overseas Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with

the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statement.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and analysis, Director's Report including annexures to Director's Report, Report on corporate Governance and Shareholder information's, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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. Based on the records, information and explanation provided, we have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS").

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors 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 Responsibility 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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.

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in "Annexure – A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- 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;
- The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
- On the basis of the written representations received from the Directors as on 31 March, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act;
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure – B". Our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



As per the information and explanation given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided as specified by the provisions of Section 197 read with Schedule V to the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

For **S. S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration No. 000756N

Sd/-

Neeraj Bansal

Partner

Membership No. 095960

Place: Delhi

Date: 30th April 2021

UDIN: 21095960AAAADA8379

- The Company has disclosed the impact of pending litigations on its financial position in the financial statements - Refer Note 37 to the financial statements;
- The Company did not have long term contracts including derivative contracts for which there were any material foreseeable losses;
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **P.K. DEORA & CO.**
Chartered Accountants
Firm Registration No. 004167N

Sd/-

Pawan Kumar Deora

Proprietor

Membership No. 083308

Place: Delhi

Date: 30th April 2021

UDIN: 21083308AAAAS5272



“Annexure – A” To the Independent Auditor’s Report to the Members of Maral Overseas Limited

Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1 of “Report on Other Legal and Regulatory Requirement’s” section

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. 185 and 186 of The Companies Act, 2013 in respect of loans, investments, guarantees, and securities made;
- (b) The Company has physically verified these fixed assets as per its program of physical verification that covers every item of fixed assets over a period of two years. According to information and explanation given to us, no material discrepancies were noticed on such verification;
- (c) According to information and explanation given to us and on the basis of our examination of the records of the company, title deeds are in the name of the company. However, for properties which are pledged as security with IFCI Limited for securing the facilities have been verified based on the documents received from IFCI.
- (ii) The physical verification of inventory except material lying with third parties, has been conducted at reasonable intervals by the management. No material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, Sub clauses 3(iii)(a), (iii)(b) & (iii)(c) of the order are not applicable.
- (iv) According to the information and explanation given to us, the Company has complied with the provisions of section
- (v) According to the information and explanation given to us, Company has not accepted any public deposits during the year. Further, we have not come across any such deposit(s) nor the management has reported any such deposit(s), therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable;
- (vi) We have broadly reviewed the books and records required to be maintained as specified by the Central Government under sub-section (l) of section 148 of companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records are being maintained; We have not, however, made a detailed examination of same;
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income tax, service tax, duty of customs, duty of excise, Value added tax, Goods and Services Tax, cess and other material statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) The particulars of dues of Income Tax, Sales Tax, Service Tax, duty of customs, duty of Excise and Value Added Tax have not been deposited on account of any dispute are as under:

Name of the Statute	Nature of Dues	Related Year	*Amount ₹ In Lakh	Forum where the dispute is pending
Income Tax Act	Disallowance of deduction u/s 10B, 35D	AY 2002-03	45.00	CIT (Appeals) & Dy CIT (For rectification)
	& 80HHC u/s 115JB	AY 2003-04	27.64	CIT (Appeals)
Custom Act	Duty on Coal Import	FY 2012	5.56	Comm (Appeals)
	Duty on Coal Import	FY 2012	28.48	CESTAT
State Sales Tax Act	Entry Tax	FY 2007-08	53.60	MP CT Appellate Board, Bhopal
	Entry Tax	FY 2008-09	9.34	MP CT Appellate Board, Bhopal

• This includes interest & penalty.



- (viii) The Company has not defaulted in repayment of loans or borrowings during the year to any financial institution, bank or government. The Company has not issued any debentures;
- (ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loans were applied for the purposes for which those were raised;
- (x) According to the information and explanations given to us and audit procedure followed, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the Company has paid or provided for the 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) The Company is not a Nidhi Company; therefore, clause (xii) of the order is not applicable to the Company;
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 & 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit;
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the order is not applicable to the company;
- (xvi) The Company is not required to be registered under section 45-IA of the reserve Bank of India Act, 1934.

For **S. S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Neeraj Bansal
Partner
Membership No. 095960

Place: Delhi
Date: 30th April 2021
UDIN: 21095960AAAAA8379

For **P.K. DEORA & CO.**
Chartered Accountants
Firm Registration No. 004167N

Sd/-
Pawan Kumar Deora
Proprietor
Membership No. 083308

Place: Delhi
Date: 30th April 2021
UDIN: 21083308AAAAA5272



“Annexure – B” To the Independent Auditor’s Report to the Members of Maral Overseas Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’ section

We have audited the internal financial controls over financial reporting of Maral Overseas Limited (“the Company”) as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls 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.

Auditor’s 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 Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit

evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) 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
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For **S. S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Neeraj Bansal
Partner
Membership No. 095960

Place: Delhi
Date: 30th April 2021
UDIN: 21095960AAAADA8379

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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, 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”.

For **P.K. DEORA & CO.**
Chartered Accountants
Firm Registration No. 004167N

Sd/-
Pawan Kumar Deora
Proprietor
Membership No. 083308

Place: Delhi
Date: 30th April 2021
UDIN: 21083308AAAAAS5272

**Balance Sheet** as at 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	As at 31 st March 2021	As at 31 st March, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	15,791.83	17,881.94
(b) Capital work - in - progress	3	169.97	1.44
(c) Other intangible assets	4	253.25	327.95
(d) Biological Assets other than bearer Plants	5	6.18	6.48
(e) Financial assets			
(i) Loans	7	17.67	14.21
(ii) Other financial assets	8	766.29	1,076.44
(f) Other non-current assets	9	852.12	868.04
Total non-current assets		17,857.31	20,176.50
Current assets			
(a) Inventories	10	9,957.38	9,819.07
(b) Financial assets			
(i) Investments	11	55.31	29.88
(ii) Trade receivables	12	9,773.43	7,528.98
(iii) Cash and cash equivalents	13	33.58	819.13
(iv) Bank Balances	14	300.81	149.57
(v) Loans	7	68.37	50.45
(vi) Other financial assets	8	1,026.82	857.55
(c) Other current assets	9	5,084.32	3,834.26
Total current assets		26,300.02	23,088.89
Total assets		44,157.33	43,265.39
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	4,150.80	4,150.80
(b) Other equity	17	5,613.55	4,223.81
Total Equity		9,764.35	8,374.61
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	4,790.82	3,779.43
(ii) Other financial liabilities	19	487.12	430.19
(b) Provisions	20	315.47	284.50
(c) Deferred tax Liability (net)	6	833.99	69.37
(d) Deferred government grant	22	1,539.75	1,762.86
Total non-current liabilities		7,967.15	6,326.35
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	12,707.65	16,183.46
(ii) Trade payables			
A. total outstanding dues of micro enterprises and small enterprises	23	1,057.43	589.68
B. total outstanding dues of creditors other than micro enterprises and small enterprises	23	4,999.99	5,166.36
(iii) Other financial liabilities	19	6,295.80	5,482.39
(b) Provisions	20	122.97	120.09
(c) Current tax liabilities	15	34.46	-
(d) Other current liabilities	21	1,207.53	1,022.45
Total current liabilities		26,425.83	28,564.43
Total liabilities		34,392.98	34,890.78
Total Equity and liabilities		44,157.33	43,265.39
See accompanying notes to the financial statements	1-45		

In terms of our report attached

For **S. S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Neeraj Bansal
Partner
Membership No.095960
UDIN: 21095960AAAADA8379

Place: Noida (U.P.)
Date: 30th April, 2021

For **P.K. Deora & Co.**
Chartered Accountants
Firm Registration No. 004167N

Sd/-
Pawan Kumar Deora
Proprietor
Membership No.083308
UDIN: 21083308AAAAAS5272

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Sd/-
Shekhar Agarwal
Chairman & Managing Director & CEO
DIN: 00066113

Sd/-
Atul Kumar Jain
Chief Financial Officer
FCA- 094866

Sd/-
Shantanu Agarwal
Joint Managing Director
DIN:02314304

Sd/-
Virendra Kumar Garg
Company Secretary
FCS-7321

**Statement of Profit and Loss** for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	Year ended 31 st March, 2021	Year ended 31 st March, 2020
1. Revenue from operations	25	63,202.10	67,594.91
2. Other income	26	781.52	1,733.37
3. Total income (1+2)		63,983.62	69,328.28
4. Expenses			
a. Cost of materials consumed	27	38,561.13	43,289.37
b. Purchases of stock-in-trade (Yarn)		48.34	68.49
c. Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(1,056.62)	861.09
d. Employee benefit expenses	29	8,421.28	9,865.16
e. Finance costs	30	1,655.34	1,570.18
f. Depreciation and amortisation expense	31	2,399.38	2,441.47
g. Other expenses	32	11,867.79	12,760.64
Total expenses		61,896.64	70,856.40
5. Profit/Loss before tax (3-4)		2,086.98	(1,528.12)
6. Tax expense			
a. Current tax	33	576.90	-
b. Deferred tax	33	341.82	-
c. Taxes for earlier years (including MAT entitlement)	33	(84.81)	-
Total tax expense		833.91	-
7. Profit for the year (5-6)		1,253.09	(1,528.12)
8. Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of post-employment benefit plans	39	(159.33)	117.78
(ii) Income tax relating to items that will not be reclassified to profit or loss	33	55.67	(39.32)
(i) Items that will be reclassified to profit or loss			
- Cash flow hedge reserve	41	362.31	(351.59)
(ii) Income tax relating to items that will be reclassified to profit or loss	33	(121.98)	118.23
Total other comprehensive income		136.67	(154.90)
9. Total comprehensive income for the year (7+8)		1,389.74	(1,683.02)
Earnings per equity share			
(Face value ₹10 per share)	34		
- Basic (₹)		3.02	(3.68)
- Diluted (₹)		3.02	(3.68)
See accompanying notes to the financial statements	1-45		

In terms of our report attached

For **S. S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Neeraj Bansal
Partner
Membership No.095960
UDIN: 21095960AAAADA8379

Place: Noida (U.P.)
Date: 30th April, 2021

For **P.K. Deora & Co.**
Chartered Accountants
Firm Registration No. 004167N

Sd/-
Pawan Kumar Deora
Proprietor
Membership No.083308
UDIN: 21083308AAAAAS5272

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Sd/-
Shekhar Agarwal
Chairman & Managing Director & CEO
DIN: 00066113

Sd/-
Atul Kumar Jain
Chief Financial Officer
FCA- 094866

Sd/-
Shantanu Agarwal
Joint Managing Director
DIN:02314304

Sd/-
Virendra Kumar Garg
Company Secretary
FCS-7321

**Cash Flow Statement for the year ended 31st March, 2021**

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
A. Cash flow from operating activities		
Profit for the year before tax	2,086.98	(1,528.12)
Adjustments for:		
Finance costs recognised in P&L	1,500.77	1,421.98
Interest income recognised in P&L	(293.23)	(305.18)
Depreciation and amortisation expense	2,399.38	2,441.47
Loss/(Profit) on sale of property, plant & equipment	(12.67)	(18.11)
Unrealised Exchange (gain)/loss	(216.68)	(672.81)
Impairment of loss on ECL	369.38	43.32
Fair value of investment through profit & loss	(25.43)	18.82
Dividend on CRPS & Interest on Unsecured Loan (Refer Note 30)	55.98	55.03
	5,864.48	1,456.40
Movements in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(2,613.83)	2,016.10
Other financial assets	493.64	(1,983.25)
Other assets	(1,234.14)	(40.81)
Inventories	(138.31)	1,119.87
Adjustments for (increase) / decrease in operating liabilities:		
Trade payables	518.06	601.21
Other current liabilities	185.08	(440.09)
Other financial liabilities	1,184.28	1,187.03
Provisions/other items	(125.48)	2.10
Deferred government grant	(223.11)	1,736.83
Cash generated from operations	3910.67	5655.39
Income tax paid	(101.13)	(8.32)
Net cash generated by operating activities (A)	3809.54	5647.07
B. Cash flow from investing activities		
Capital expenditure on capital assets, including capital advances	(380.16)	(1,458.24)
Bank Balances not considered as cash & cash equivalents	(151.24)	70.34
Interest received	281.39	304.78
Net cash generated by/(used in) investing activities (B)	(250.01)	(1,083.12)
C. Cash flow from financing activities (refer note 44)		
Repayment of term loan	(2,037.88)	(1,636.31)
Payment of Lease liability	(284.67)	(268.70)
Interest on lease	69.54	64.21
Proceeds in Term Loan (refer note 42)	3,387.00	404.58
Increase/(Decrease) in working capital loan	(3,981.54)	(1,315.93)
Interest paid	(1,497.53)	(1,417.68)
Net cash generated by/(used in) financing activities (C)	(4345.08)	(4169.83)
Net Increase/decrease in Cash and cash equivalents (A+B+C)	(785.55)	394.12
Cash and cash equivalents at the beginning of the year	13	819.13
Closing Balance of Cash and cash equivalents	33.58	819.13
Balances with banks		
- in current accounts	22.46	802.95
Cheques on hand	-	1.45
Cash on hand (Refer note (i) below)	11.12	14.73
	33.58	819.13

Notes:

- The above cash flows statement has been prepared under the "Indirect Method" as set out in Ind As 7 on cash flow statements.
- Figures in bracket Indicate cash outgo/income.
- Refer Note No 30 Finance Cost, 42 Reconciliarian & 44 Recompence Expenses

See accompanying notes to the financial statements 1-45

In terms of our report attached

For **S. S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Neeraj Bansal
Partner
Membership No.095960
UDIN: 21095960AAAADA8379

Place: Noida (U.P.)
Date: 30th April, 2021

For **P.K. Deora & Co.**
Chartered Accountants
Firm Registration No. 004167N

Sd/-
Pawan Kumar Deora
Proprietor
Membership No.083308
UDIN: 21083308AAAAS5272

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Sd/-
Shekhar Agarwal
Chairman & Managing Director & CEO
DIN: 00066113

Sd/-
Atul Kumar Jain
Chief Financial Officer
FCA- 094866

Sd/-
Shantanu Agarwal
Joint Managing Director
DIN:02314304

Sd/-
Virendra Kumar Garg
Company Secretary
FCS-7321

Statement of Changes In Equity for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Amount ₹
Balance at 31.03.2019	4,150.80
Changes in equity share capital during the year	-
Balance at 31.03.2020	4,150.80
Changes in equity share capital during the year	-
Balance at 31.03.2021	4,150.80

*Refer note -16

b. Other Equity

(₹ in Lakhs)

Particulars	Item of Other comprehensive income	Reserves and surplus					Total other equity
		Cash Flow hedging reserve	Capital reserve	General reserve	Securities premium	Preference share capital redemption reserve	
Balance at 01.04.2019	35.80	113.47	430.16	2,590.07	4,485.40	(1,748.06)	5,906.84
Profit/(Loss) for the year	-	-	-	-	-	(1,528.12)	(1,528.12)
Other comprehensive income for the year, net of income tax	(233.36)	-	-	-	-	78.46	(154.90)
Total Comprehensive Income	(233.36)	-	-	-	-	(78.46)	(154.90)
Balance at 31.03.2020	(197.56)	113.47	430.16	2,590.07	4,485.40	(3,197.72)	4,223.82
Profit/(Loss) for the year	-	-	-	-	-	1,253.07	1,253.07
Other comprehensive income for the year, net of income tax	240.32	-	-	-	-	(103.66)	136.66
Total Comprehensive Income	240.32	-	-	-	-	(103.66)	136.66
Balance at 31.03.2021**	42.76	113.47	430.16	2,590.07	4,485.40	(2,048.31)	5,613.55

See accompanying notes to the financial statements

1-45

**Refer Note 17 & 44

Notes: Nature and Purpose of Reserves**Securities Premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the companies Act, 2013

General Reserve

This represents appropriation of profit after tax by the company.

Retained Earnings

This comprise company's undistributed profit after taxes.

Capital Reserve

Capital reserve arises from earstwhile amalgamation of Asian Knitvears Limited with the Company.

Cash flow hedge reserve

This reserve represents the cumulative effective protion of changes in fair value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit & loss or included in the carrying amount of the non-financial asset in accordance with the company's accounting policy.

Preference Share Capital Redemption Reserve

Preference Share Capital Redemption reserve is created against the redemption of cumulative preference shares.

In terms of our report attached

For **S. S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Neeraj Bansal
Partner
Membership No.095960
UDIN: 21095960AAAADA8379

Place: Noida (U.P.)
Date: 30th April, 2021

For **P.K. Deora & Co.**
Chartered Accountants
Firm Registration No. 004167N

Sd/-
Pawan Kumar Deora
Proprietor
Membership No.083308
UDIN: 21083308AAAAS5272

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Sd/-
Shekhar Agarwal
Chairman & Managing Director & CEO
DIN: 00066113

Sd/-
Atul Kumar Jain
Chief Financial Officer
FCA- 094866

Sd/-
Shantanu Agarwal
Joint Managing Director
DIN:02314304

Sd/-
Virendra Kumar Garg
Company Secretary
FCS-7321

Notes Forming Part of the Financial Statements

1. Corporate Information

Maral Overseas Limited (the Company) is a limited company incorporated and domiciled in India having its registered office at Maral Sarovar, V&P.O. Khalbujurg Tehsil Kasrawad, District Khargone, Madhya Pradesh, India. The Company has its primary listing on the BSE Limited and National Stock Exchange India Limited in India.

The Company is one of India's largest vertically integrated textile companies, having multiple facilities to produce Grey Yarn, Dyed Yarn, Knitted Fabric and Garments. The manufacturing plants of the Company are located in India.

2. Significant Accounting Policies

2.1. Statement of Compliance

The financial statements are the individual financial statement which are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013('the Act') (to the extent notified) read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and relevant amendment rules issued thereafter. These Ind AS had been adopted w.e.f. 1 April, 2017 as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015.

2.2. Basis of preparation and presentation

The Financial Statements have been prepared on historical cost basis except for following that are measured at fair value:

- Defined benefit plan-plan assets measured at fair value,
- Certain financial assets and liabilities (including derivative instruments).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2.1. Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest Lakhs (INR 00,000) except when otherwise indicated.

2.2.2. Classification of Assets and Liabilities as Current and Non-Current

Assets are classified as current when any of following criteria are satisfied:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period;
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

Liabilities are classified as current when any of following criteria are satisfied:

- expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

2.3. Revenue recognition

Revenue from contracts with customers for sale of goods or services is recognised when the Company satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods or services.

Notes Forming Part of the Financial Statements

Sale of goods

Sale of goods: Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue from the sale of goods is measured at the transaction price, which is adjusted for, net of returns and allowances, trade discounts and volume rebates/claims etc. Sales exclude Value added tax/sales tax / Service Tax / Goods & Service Tax.

Other Operating Income

Incentives on exports and other Government incentives related to operations are recognised in books after due consideration of certainty of utilization/receipt of such incentives. For Government grant refer Para 2.4.

Interest income

Interest income from a financial asset is recognised using effective interest rate (EIR) method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend Income

Dividend income is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

2.4. Government Grant & Government Assistance

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grant are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognise as expenses the related costs for which the grants are intended to compensate.

The Capital Subsidy under Technology Up-gradation Fund Scheme (TUFS) Government on specified machinery and Duty saved under EPCG is recognized on a systematic and rational basis by adopting Deferred Income Approach. Such allocation to income is done prospectively over the remaining useful life of the respective assets and is adjusted against the depreciation in the Statement of Profit and Loss. Pending the utilization of the grant received, the same is presented as 'Deferred Income'.

2.5. Inventories

Inventories including goods-in-transit are measured at lower of cost and estimated net realisable value. However, Raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Raw materials, embellishment, stores & spares and packing material:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress:

Cost includes cost of direct materials (net of realizable value of waste / by product) and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs and selling expenses.

Traded goods:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Waste:

Valued at Net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.6. Property, Plant and Equipment (PPE)

Recognition and measurement

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, plant and equipment (PPE) comprises its purchase price including any import duties and non-refundable



Notes Forming Part of the Financial Statements

taxes and net of any trade discounts and rebates. It also includes any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

The company identifies and determines the cost of each component/ part of the asset separately, if the component / part has a cost which is significant to the total cost of asset and has useful life, that is materially different from that of remaining assets.

Items of stores and spares that meet the definition of property, plant & equipment are capitalised at cost and depreciated over the useful life of asset. Otherwise such items are classified as inventories.

Capital work-in-progress

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and borrowing cost. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation

Depreciation is recognised for Property, Plant and Equipment (PPE) so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation on tangible assets is provided on straight line method except for vehicles which are depreciated on written down value method over the useful life of the assets.

For following class of assets, based on internal assessment and technical evaluation, the management has reassessed the useful lives as different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013. Management believes that the useful lives as given below, best represent the period over which these assets are expected to be used.

Asset Class	Useful Life
Building	5 to 60 years
Plant and Machinery (General)(Triple shift operation)	9 years 2 months
Plant and Machinery (Textile Made-ups) (Single shift operation)	9 years
Plant and Machinery (Power)	18 years
Furniture & Fixtures	10 years
Office Equipment	5 years
Computers & Software	3 – 6 years
Vehicles	5 years

Residual value in respect of vehicles, furniture's, computers, provided under the company employee benefit scheme is considered in accordance with the said scheme and is higher than 5% of the original cost of the assets.

Depreciation commences when the assets are available for intended use and is being calculated on monthly basis instead of number of days put to use.

Free hold land is not depreciated.

Leasehold improvements are amortised over the primary period of lease.

Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



Notes Forming Part of the Financial Statements

Derecognition of PPE

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the Property, Plant and Equipment) is included in the income statement when the Property, Plant and Equipment is derecognised.

2.7. Biological Assets

Biological assets comprise of livestock.

Biological assets are measured at fair value less cost to sell. Changes in fair value of biological assets is recognised in the statement of profit and loss account.

2.8. Intangible assets

Recognition and measurement

An Intangible Assets is recognised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

The cost of a separately acquired intangible asset comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Goodwill acquired and/or arising upon business combinations initially recognized at cost and at subsequent period at cost less accumulated impairment loss, if any.

Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future

economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Impairment

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Asset Class	Useful Life
Software	3 – 6 years

Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in Statement of profit and loss when the asset is derecognised.

2.9. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the noncancelable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Notes Forming Part of the Financial Statements

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(i) The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

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

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not

generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

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

(ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The practical expedient in paragraph 46A applies only to rent concessions occurring as a direct consequence of the Covid-19 pandemic and only if all of the following conditions are met:- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (b) any reduction in lease payments affects only payments originally due on or before the 30th June, 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before the 30th June, 2021 and increased lease payments that extend beyond the 30th June, 2021); and (c) there is no substantive change to other terms and conditions of the lease.

2.10. Foreign currencies

The Company's financial statements are presented in INR.

Notes Forming Part of the Financial Statements

Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Exchange differences on translation of monetary items are recognised in profit or loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in OCI.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Derivative Financial Instruments and Hedge Accounting

The Company uses derivative instruments i.e. Forward contracts to hedge its foreign currency risks. The Company designated these forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The Company has designated forward instruments on spot to spot basis. The Company recognises the forward points in the statement of profit and loss.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to the

hedged risk are recognised in profit or loss in the line item relating to hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivatives recognised in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of related forecasted transaction. If the forecasted transaction no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the statement of profit and loss.

2.11. Employee benefits

Short-term employee benefits

Short-term employee benefits obligation is measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan:

The Company makes defined contribution to employee's provident fund organization, pension fund, superannuation fund and Employees state insurance (ESI), which are accounted on accrual basis as expenses in the statement of Profit and Loss in the period during which the related services are rendered by employees.

Prepaid contribution are recognized as an assets to the extent that a cash refund or reduction in future payments is available.



Notes Forming Part of the Financial Statements

Defined Benefit Plan:

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of company. The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of change in equity and in the balance sheet.

Changes in the present value of defined benefit obligation resulting from plan amendments and curtailments are recognised immediately in profit and loss as service cost.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value and fair value of any related assets is deducted. The liability for other long-term employee benefits are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. Re-measurements are recognised in profit or loss in the period in which they arise.

If the benefits are not expected to be settled wholly within twelve months of the reporting date, then they are discounted to present value.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred. The Company recognises a liability and expense for termination benefits at the earlier of the following dates:

- When the entity can no longer withdraw the offer of those benefits; and
- When the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

If the benefits are not expected to be settled wholly within twelve months of the reporting date, then they are discounted to present value.

2.12. Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Income Tax – Current & Deferred

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

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively



Notes Forming Part of the Financial Statements

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

2.13. Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised for present obligation (legal or constructive) of certain timing or amount arising as a result of past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

When it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably the obligation is disclosed as a contingent liability unless the possibility of outflow of resources embodying economic benefit is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or nonoccurrence of one or more uncertain future events, not wholly within the control of entity are also disclosed as contingent liabilities.

Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not recognised. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

2.14. Segment reporting

The Company's operating segments are established on the basis of those components of the company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. Segment performance is evaluated based on profit or loss and is measured consistently with the profit or loss in the financial statements.

The Operating Segments have been identified on the basis of the nature of products/services.

- Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment revenue.

- Expenses that are directly identifiable with/allocable to segments are considered for determining the segment results. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- Income which relates to the Company as a whole and not allocable to segments are included under unallocable income.
- Segment result includes margin on inter segment sales which are reduced in arriving at the profit before tax of the Company.
- Segment assets & liabilities include those directly identifiable with the respective segments. Unallocable assets & liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis and are on an arm's length basis in a manner similar to transactions with third parties.

2.15. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.16. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments



Notes Forming Part of the Financial Statements

that are readily convertible to known amounts of cash to be cash equivalents.

2.17. Borrowing

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised in Statement of Profit and Loss as finance costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of the assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

2.18. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

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

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.19. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



Notes Forming Part of the Financial Statements

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

2.20. Financial Instruments

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

A. Financial assets

Initial recognition and measurement

All financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not classified as subsequently measured at fair value through profit or loss, are adjusted to the fair value on initial measurement.

Subsequent measurement

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

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income for these financial assets is included in other income using the effective interest rate method.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Where the company decided to make an irrevocable election to present the fair value gain and loss (excluding dividend) on non-current equity investments in other comprehensive income, there is no subsequent reclassification of fair value gain and loss to profit and loss even on sale of investments. However, the group may transfer the cumulative gain or loss within equity. The group makes such election on an instrument-by-instrument basis.

The company elected to measure the investment in subsidiary, associate and joint venture at cost.

C. Impairment of financial assets

The company assesses on a forward- looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. If credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month Expected Credit Loss (ECL) Note No.41.6 details how the group determines whether there has been significant increase in credit risk.

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

D. Financial liabilities

Initial recognition and measurement

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



Notes Forming Part of the Financial Statements

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

E. Derecognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

F. Reclassification of financial assets

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

G. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.21. Use of estimates

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and

expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer note 2.10).

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. (Refer note 2.17).

2.22. Critical accounting judgements and key sources of estimation uncertainty

The Preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

2.22.1. Critical accounting judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that



Notes Forming Part of the Financial Statements

have most significant effect on the amounts recognised in the consolidated financial statements.

Valuation of Deferred tax assets

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets (Refer note 2.11.).

Key Source of estimation uncertainty

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

Useful lives and residual values of property, plant and equipment

Useful life and residual value of property, plant and equipment

are based on management's estimate of the expected life and residual value of those assets. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years (Refer note no 2.6).

Impairment of Property Plant and Equipment

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use it is necessary to project the future cash flow of assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit or loss. (Refer note no 2.6).

Provisions and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.



Notes Forming Part of the Financial Statements

Note 3: Property, plant and equipment

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Net Carrying Cost of:		
Property, Plant and Equipment		
Land Freehold	42.43	42.43
Buildings	2,998.49	3,190.47
Leasehold Improvement	18.07	15.16
Plant & equipment	11,175.03	13,093.85
Office equipment	66.73	53.99
Furniture and fixtures	107.69	118.62
Vehicles	223.83	276.33
Right of use Asset	1,159.56	1,091.09
Sub-total (A)	15,791.83	17,881.94
Capital work-in-progress		
Plant & Machinery	141.89	1.44
Buildings	28.08	-
Sub-total (B)	169.97	1.44
Total (A+B)	15,961.79	17,883.38

(₹ in Lakhs)

Particulars	Land Free-hold	Land Lease-hold	Buildings	Leasehold Improve-ment	Plant & equip-ment	Office equip-ment	Furniture and fixtures	Right of Use Asset	Vehicles	Total
Gross Carrying Cost										
Balance at 31st March 2019	42.43	390.64	3,911.75	4.55	19,511.69	159.04	166.36	-	341.22	24,527.68
Additions	-	-	22.22	15.25	882.18	13.15	20.38	965.73	100.85	2,019.76
Disposals	-	-	-	-	(694.61)	(3.27)	(1.15)	-	(1.09)	(700.12)
Reclassified on account of adoption of IND AS 116*	-	(390.64)	-	-	-	-	-	390.64	-	-
Balance at 31st March 2020	42.43	-	3,933.97	19.80	19,699.26	168.92	185.59	1,356.37	440.98	25,847.32
Additions	-	-	0.66	7.28	137.37	32.01	8.45	318.43	19.60	523.80
Disposals	-	-	-	-	(671.83)	(6.36)	(2.34)	(145.39)	(47.78)	(873.70)
Balance at 31st March 2021	42.43	-	3,934.64	27.08	19,164.80	194.57	191.70	1,529.41	412.80	25,497.42
Accumulated depreciation										
Balance at 31 st March 2019	-	13.38	549.80	3.43	5,194.68	95.17	48.86	-	118.00	6,023.32
Additions	-	-	193.70	1.21	2,074.78	22.74	19.04	251.90	47.54	2,610.92
Disposals	-	-	-	-	(664.06)	(2.99)	(0.93)	-	(0.88)	(668.86)
Reclassified on account of adoption of IND AS 116*	-	(13.38)	-	-	-	-	-	13.38	-	-
Balance at 31st March 2020	-	-	743.50	4.64	6,605.40	114.92	66.97	265.28	164.66	7,965.37



Notes Forming Part of the Financial Statements

(₹ in Lakhs)

Particulars	Land Free-hold	Land Lease-hold	Buildings	Leasehold Improve-ment	Plant & equip-ment	Office equip-ment	Furniture and fixtures	Right of Use Asset	Vehicles	Total
Additions	-	-	192.64	4.37	2,021.90	18.20	18.54	249.96	52.13	2,557.74
Disposals	-	-	-	-	(637.53)	(5.28)	(1.50)	(145.39)	(27.82)	(817.52)
Balance at 31st March 2021	-	-	936.14	9.01	7,989.77	127.84	84.01	369.85	188.97	9,705.59
Net Carrying cost										
At 31 st March 2019	42.43	377.26	3,361.95	1.12	14,317.01	63.87	117.50	-	223.22	18,504.36
At 31 st March 2020	42.43	-	3,190.47	15.16	13,093.85	53.99	118.62	1,091.09	276.33	17,881.94
At 31 st March 2021	42.43	-	2,998.49	18.07	11,175.03	66.73	107.69	1,159.56	223.83	15,791.83

*Lease hold land is reclassified on account of adoption of Ind-As 116.

Notes:

- Assets are mortgage against secured term loans from banks & financial institutions (refer note no. 18)
- Buildings include ₹0.02 Lakhs representing cost of unquoted fully paid shares held in co-operative housing society.
- Buildings include certain portion given on operating lease. It is not practicable to give separate disclosure of gross block, depreciation charge for the year, accumulated depreciation and net block in respect of the same.
- Borrowing Cost Capitalised during the year Nil (Previous year ₹3.50 Lakh)
- Refer Note No 38 for the contractual commitment for the acquisitions of PPE.
- Refer Note No 24 for right of use of assets.
- Gross Block as on 31st March, 2021 ₹53,755.60 Lakh including capital work in progress.

Note 4: Intangible Assets

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Net Carrying Values of:		
Software	253.25	327.95
Total	253.25	327.95
Particulars	Software	Total
Gross Carrying Cost		
Balance at 31st March 2019	411.89	411.89
Additions	106.54	106.54
Disposals	-	-
Balance at 31st March 2020	518.43	518.43
Additions	10.72	10.72
Disposals	-	-
Balance at 31st March 2021	529.15	529.15
Accumulated Amortisation		
Balance at 31st March 2019	115.17	115.17
Additions	75.31	75.31
Disposals	-	-
Balance at 31st March 2020	190.48	190.48
Additions	85.42	85.42
Disposals	-	-
Balance at 31st March 2021	275.90	275.90
Net Carrying Cost		
At 31 st March 2019	296.72	296.72
At 31 st March 2020	327.95	327.95
At 31 st March 2021	253.25	253.25

- Assets are mortgage against secured loans from banks & financial institutions. (refer note no (18)
- Gross block as on 31st March 2021 ₹ 621.72 Lakh.



Notes Forming Part of the Financial Statements

Note 5: Biological Assets

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Livestock	6.18	6.48
Total	6.18	6.48

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Opening balance	6.48	7.13
Increase due to purchases	-	0.06
Livestock losses	(0.30)	(0.71)
Closing balance	6.18	6.48

Note 6: Deferred Tax Assets /(Liabilities)

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Deferred tax assets	1,207.07	800.76
Deferred tax liabilities	(2,067.15)	(1,778.94)
MAT Credit entitlement	26.09	908.81
Total	(833.99)	(69.37)

Movement in Deferred tax assets

FY 2020-21	(₹ in Lakhs)			
	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to				
- Provision for employee benefits	215.90	30.78	-	246.68
- Income on ITR Revised u/s 153 A for earlier years	-	526.23	-	526.23
- Others	225.91	128.17	(121.98)	232.10
- Deferred tax assets on part of current year loss *	178.92	(178.92)	-	-
- Redeemable cumulative preference share	180.03	22.03	-	202.06
Total	800.76	528.29	(121.98)	1,207.07

* In Previous Year Deferred tax assets has been created on brought forward losses to the extent of previous year deferred tax liability.

Movement in Deferred tax assets

FY 2019-20	(₹ in Lakhs)			
	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to				
- Provision for employee benefits	215.90	-	-	215.90
- Others	104.28	3.39	118.23	225.91
- Deferred tax assets on part of current year loss *	-	178.92	-	178.92
- Redeemable cumulative preference share	164.36	15.67	-	180.03
Total	484.54	197.98	118.23	800.76

* Deferred tax assets has been created on brought forward losses to the extent of current year deferred tax liability.



Notes Forming Part of the Financial Statements

Movement in Deferred tax liabilities

FY 2020-21	(₹ in Lakhs)			
	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities in relation to				
- Property, Plant & Equipments	1,621.61	343.88	-	1,965.49
- Redeemable cumulative preference share capital	9.27	-	-	9.27
- Borrowings at amortised cost	5.88	-	-	5.88
- Provision for employee benefits	122.95	-	(55.67)	67.28
- Cash flow hedge	19.23	-	-	19.23
Total	1,778.94	343.88	(55.67)	2,067.15

Movement in Deferred tax liabilities

FY 2019-20	(₹ in Lakhs)			
	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax liabilities in relation to				
- Property, Plant & Equipments	1,522.41	99.20	-	1,621.61
- Redeemable cumulative preference share capital	-	9.27	-	9.27
- Borrowings at amortised cost	-	5.88	-	5.88
- Provision for employee benefits	-	83.63	39.32	122.95
- Cash flow hedge	19.23	-	-	19.23
Total	1,541.64	197.98	39.32	1,778.94

Movement in MAT credit entitlement

Particulars	₹ in Lakhs	
	At April 1, 2019	At March 31, 2020
At April 1, 2019	921.56	
(Charged)/credited:		
- to profit & loss		(12.75)
- to other Comprehensive Income		-
At March 31, 2020		908.81
(Charged)/credited:		
- to profit & loss		
For Tax of earlier year V to V (Ass. Year 2009-10)		300.10
For Tax of earlier year V to V (Ass. Year 2013-14)		138.98
For Provision for Income tax other than MAT		443.64
-to other comprehensive income		-
At March 31, 2021		26.09

(i) MAT credit balance utilised against income tax payable for current year ₹ 443.64 Lakhs and tax liability of earlier years under V to V (Vivad se Vishwas) scheme ₹ 439.08 Lakhs.

(ii) In respect of MAT credit entitlement, management, based on present profitability trend as well as future profit projections, is of the view that there is convincing evidence for utilization of MAT credit assets in future periods.



Notes Forming Part of the Financial Statements

Note 7: Loans

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non- Current		
Loans Receivables from Employees considered good - Unsecured	17.67	14.21
	17.67	14.21
Current		
Loans Receivables from Employees considered good - Unsecured	68.37	50.45
Total	68.37	50.45

Note 8: Other financial assets

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non- Current		
Other receivables / Capital Subsidy	761.40	1,046.55
Deposits held under lien with Govt. Departments	0.67	0.67
Deposits held as Margin Money	4.22	29.22
	766.29	1,076.44
Current		
Forward Contract* (Refer Note 41.3.1)	153.59	-
Other receivables	873.23	857.55
Total	1,026.82	857.55

* Receivable from forward contract hedging as on 31st March 2021 (₹ Nil as on 31st March 2020)

Note 9: Other assets

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non- Current		
Security and earnest money deposits	692.84	697.68
Prepaid expenses	2.73	13.81
Income tax refundable (Refer Note Below)	156.55	156.55
Total	852.12	868.04
Current		
Balances with government authorities		
-Excise Duty & Service Tax Recoverable	3.11	3.11
-Advance tax & Tds and Tcs receivable	-	19.16
-VAT and Sales Tax Receivable	6.71	6.71
-GST receivable	1,936.14	2,051.56
Advance to vendors		
Capital Advances	61.68	10.27
Unsecured, considered good	2,089.16	508.71
Less: Provision for doubtful advances	(13.20)	(14.54)
Others		
Interest subsidy receivable (Under TUF's)	138.25	127.60
Interest subsidy receivable (Under State Subsidy)	330.31	476.38
Export Incentives Recoverable	294.20	461.29
Prepaid expenses	168.28	73.83
Advances-Employees	4.62	11.01
Reversal of Gratuity Provision (Refer Note 39)	65.06	99.18
Total	5,084.32	3,834.26



Notes Forming Part of the Financial Statements

Notes:-

(i) Direct taxes refundable represent amounts recoverable from the Income Tax Department for various assessment years. In respect of disputed demands, company has filed appeals which are pending at various levels and for assessment years where the issues have been decided in favour of the company, company is in the process of reconciling / adjusting the same with the department. Necessary value adjustments shall be made on final settlement by the department.

Note 10: Inventories

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Inventories- valued at lower of cost and net realisable value		
Raw Materials	2,599.54	3,392.63
Stores & Spares	90.57	195.43
Work - in - progress	2,045.17	1,510.34
Finished goods	4,971.65	4,477.56
Waste	204.02	176.31
Fuel and Others	46.43	66.80
Total	9,957.38	9,819.07

Note 11: Investments

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Quoted Equity shares		
Investments in fully paid equity instruments at FVTPL		
BPL Engineering Limited 7,700 (31 st March, 2021)	0.01	0.01
State Bank of India (Refer note (i) below) 15,180 Nos of Equity Shares 31 st March 2021 (15,180 Nos 31 st March, 2020)	55.30	29.87
Total	55.31	29.88
Aggregate amount of Quoted investments	55.30	29.87
Aggregate market value of Quoted investments	55.30	29.87
Aggregate amount of unquoted investments	0.01	0.01
Aggregate amount of impairment in value of investment	0.01	0.01

Note:-

(i) On April 1, 2017 shares of State Bank of Bikaner & Jaipur merged with State Bank of India, Company receive 2.8 shares of State Bank of India for 1 shares of State Bank of Bikaner & Jaipur.

Note 12: Trade Receivables

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Unsecured		
Trade Receivables considered good	9,773.43	7,528.98
Trade Receivables considered doubtful	416.63	52.78
Total	10,190.06	7,581.76
Less- Allowances for credit losses	(416.63)	(52.78)
Total	9,773.43	7,528.98

**Notes Forming Part of the Financial Statements****Note 13: Cash and cash equivalents**

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Balances with banks		
- in current accounts	22.46	802.95
Cheques on hand	-	1.45
Cash on hand (Refer note (i) below)	11.12	14.73
Total	33.58	819.13

(i) Cash on hand include foreign currency notes also.

Note 14: Bank balances

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Deposit held as Margin Money	244.38	93.15
Deposits held under lien with Govt. Departments	56.43	56.42
Total	300.81	149.57

Note 15: Current Tax Assets and liabilities

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current tax liabilities		
Provision for tax	133.27	-
Less: Advance Tax	(98.81)	-
Total	34.46	-

Note 16: Share Capital

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorised share capital		
4,40,00,000 (Previous year 4,40,00,000) Fully paid equity shares of ₹10/- each	4,400.00	4,400.00
31,00,000 (Previous year 31,00,000) cumulative redeemable preference shares of ₹100/- each	3,100.00	3,100.00
	7,500.00	7,500.00
Issued, subscribed and fully paid-up share capital		
41,508,000 fully paid equity shares of ₹10 each (as at 31 st March 2021)	4,150.80	4,150.80
For Issue, subscribed and fully paid-up preference shares (Refer Note No. 19)	-	-
Total	4,150.80	4,150.80

(I) Reconciliation of Number of Shares Outstanding at the beginning and end of the year

(₹ in Lakhs)

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	4,15,08,000	4,150.80	4,15,08,000	4,150.80
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	4,15,08,000	4,150.80	4,15,08,000	4,150.80

(ii) Rights, preferences and restriction attached to equity shares

Company has only one class of equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The holder of equity shares is entitled to receive dividend only after distribution of dividend to the holders of preference shares.

**Notes Forming Part of the Financial Statements**

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.

(iii) Rights, preferences and restriction attached to preference shares

For rights, preferences and restriction attached to both type of preference shares, classified as financial liability refer note 19.

(iv) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	No of Shares	% Holding	No of Shares	% Holding
Agarwal Trademart Private Limited	1,97,60,000	47.61%	1,97,60,000	47.61%
Agarwal Finestate Private Limited	73,96,056	17.82%	73,96,056	17.82%
	2,71,56,056	65.43%	2,71,56,056	65.43%

(v) The CDR package grants a right to the various banks and financial institutions to convert 20% of their debt outstanding beyond seven years from the date of CDR Letter i.e. March 26, 2009 into equity shares, as per SEBI guidelines / loan covenants, whichever is applicable.

Note 17: Other Equity

(₹ in Lakhs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Retained earnings	(2,048.31)	(3,197.72)
General reserve	430.16	430.16
Securities Premium Reserve	2,590.07	2,590.07
Preference Share Capital Redemption Reserve	4,485.40	4,485.40
Capital Reserve	113.47	113.47
Cash Flow hedging Reserve	42.76	(197.56)
Total	5,613.55	4,223.81

Note 17.1: Retained earnings

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Balance at the beginning of year	(3,197.72)	(1,748.07)
Profit for the year	1,253.07	(1,528.12)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(103.66)	78.47
Balance at the end of the year	(2,048.31)	(3,197.72)

Note 17.2 : General Reserve

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Balance at the beginning of year	430.16	430.16
Balance at the end of year	430.16	430.16

Note 17.3 : Securities premium reserve

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Balance at the beginning of year	2,590.07	2,590.07
Balance at the end of year	2,590.07	2,590.07



Notes Forming Part of the Financial Statements

Note 17.4 : Preference share capital redemption reserve

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Balance at the beginning of year	4,485.40	4,485.40
Balance at the end of year	4,485.40	4,485.40

Note 17.5 : Capital reserve

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Balance at the beginning of year	113.47	113.47
Balance at the end of year	113.47	113.47

Note 17.6 : Cash flow hedging reserve

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Balance at the beginning of year	(197.56)	35.80
- Change in fair value (net off tax) Other comprehensive income	240.32	(233.36)
Balance at the end of year	42.76	(197.56)

Note 17.7 Nature and Purpose of Reserves

Securities Premium

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

General Reserve

This represents appropriation of profit after tax by the company.

Retained Earnings

This comprise company's undistributed profit after taxes.

Cash flow hedge reserve

This reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

Preference Share Capital Redemption Reserve

Preference Share Capital Redemption reserve is created against the redemption of cumulative preference shares.

Note 18: Borrowings

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Secured - at amortised cost		
Term loans from banks { Refer Note: 18 (i) and 18(ii) }	4,045.27	2,216.10
Term loans from financial institutions { Refer Note: 18 (i) and 18(ii) }	2,933.33	3,373.33
Interest accrued but not due shown separately (Refer Note no 19)	49.82	46.58
Amortised Cost	7,028.42	5,636.01
Less: Interest accrued but not due shown separately (Refer Note no 19)	(49.82)	(46.58)
	6,978.60	5,589.43
Less: Current maturities of Long term debt (Clubbed under other current financial liability (Refer note no 19)	2,187.78	1,810.00
	4,790.82	3,779.43

Contd..



Notes Forming Part of the Financial Statements

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Current		
Secured		
Working capital loan from banks repayable on demand { Refer Note: 18 (viii) }		
Cash Credit from banks	4,489.68	5,546.36
Export credit facilities from Bank (in Indian Rupees)	7,576.86	9,302.94
FDP Bill Discounting	641.11	1,334.16
	12,707.65	16,183.46

18.1 Summary of borrowing arrangements

(i) Term loans from both banks & financial institutions are secured by first mortgage and charge created on all the present and future immovable & movable properties (other than current assets) of the Company, ranking pari-passu, and second pari-passu charge on current assets of the company. pursuant to the notification DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 company has availed the extension of repayment of term loan installment including Interest.

(ii) Working capital facilities from banks, are secured by pledge of stipulated promoter's equity shareholding, constituting 36% of the present equity capital, in favour of the lenders on pari-pasu basis.

(iii) Maturity Profiles & Interest rate of secured loans & unsecured loans

Lending institution	Maturity	Interest	(₹ in Lakhs)	
			As at 31 st March, 2021	As at 31 st March, 2020
Term loans from banks				
Project term loans (1)				
Project term loans (2)	2022-2023	MCLR/ LTMLR+.80% to 1.50%	839.95	406.10
Term loans from financial institutions				
Project term loans (1)	2025-2026	10.10%	2,933.33	3,373.33
Covid Loan under ECLGS 1 & 2	2025-2026	7.00% to 8.40%	3205.32	-

(iv) All secured loans are repayable in quarterly installments.

(v) The Company's financial restructuring package was approved under the Corporate Debt Restructuring mechanism (CDR) by the CDR Empowered group vide their letter dated March 26, 2009 ('CDR letter') and subsequent approvals received from the various financial institutions and banks.

(vi) Some of the lenders follow the practice to recover sue motto, payment of both principal as well as interest from the working capital facility advanced by them, where applicable, or from the current account under instructions from the Company. It is regarded as accepted practice that the due date for payment shall be the date next following the date when interest is charged. Any delay on part of the lender to recover payment, either in line with past practice or specific instructions given in this regard by the Company, is not attributable to default on part of the Company Accordingly, there is no continuing default in repayment of the principal loan and interest amounts.

(vii) Loans repayable on demand, comprise of working capital facilities from banks and are secured by way of hypothecation first charge, ranking pari-passu, on stocks of raw material, stock in process, finished goods, book debts / receivables and all current assets stored in the company's factory premises, at all plants and / or elsewhere including those in transit covered by documents of title thereto, local and export usance bills and second pari-passu charge on the entire movable and immovable assets of the Company (fixed assets), both present and future.

**Notes Forming Part of the Financial Statements**

(viii) Due to Covid-19 pandemic, Govt notified the scheme of ECLGS 1 & 2 to mitigate the working capital crisis and as per scheme company have been sanctioned and received a Loan of ₹3387.00 Lakh.

Note 19: Other financial liabilities

Particulars	₹ in Lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Lease Liability (refer note 24)	438.69	404.43
Security deposits from employees	48.43	25.76
	487.12	430.19
Current		
Current maturities of long term debts (refer note 18)	2,187.78	2,299.80
Preference Liability (refer note (i) below)	1,191.45	1,145.67
Interest accrued but not due on borrowings	49.82	46.58
Other Liabilities for Expenses	621.47	249.74
Employee Related Liability	861.45	861.07
Security deposits-Employees	65.27	28.83
Security deposits-Others	758.62	39.06
Retention Money from Vendors/Suppliers	53.89	72.39
Payable on purchase of capital assets	67.22	3.84
Rebates & claims	178.17	123.32
Other payables	2.16	23.53
Lease Liability (refer note 24)	258.50	189.46
Forward Contracts	-	399.11
Total	6,295.80	5,482.39

Notes:**(i) Rights, preferences and restriction attached to preference shares**

Company has only one class of cumulative redeemable preference shares (CRPS) having a par value of ₹100/-. There are two series of CRPS, carrying differential dividend coupon rates.

First series of preference shares carrying a dividend coupon rate of 8%, allotted to the various banks and financial institutions, pursuant to the Corporate Debt Restructuring ('CDR') Package, were redeemed in four equal annual instalments from 2016 to 2019.

Second series of preference shares carrying a dividend coupon rate of 3%, allotted to promoters, against infusion of funds by them, pursuant to the Corporate Debt Restructuring ('CDR') Package was redeemable on March 2019. The company has taken necessary approval from the board and shareholders for repayment of aforesaid preference shares in two equal annual installments from 2019 to 2020. First installment of ₹600 Lakh has been redeemed on March 2019 and for second installment which was due in March 2020, approval for further extension of one (1) year has been taken, from the board on 08th August 2019 and shareholders in the annual general meeting held on 19th September 2019 and this be due on March 2021. The maturity period of redemption of second installment of aforesaid CRPS was further extended for a period of one year i.e. 31st March 2022 by the board of directors in their meeting held on 07th of August of 2020 and approval of shareholders in the annual general meeting was obtained on dated 29th September 2020. The company getting necessary approval from the board and shareholder for extension of repayment of CRPS for one year and planning to pay ₹420 Lakh during the year.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of preference shares is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to preference shares. The holders of preference shares are entitled to a preferential

**Notes Forming Part of the Financial Statements**

right of repayment of capital on winding up vis-à-vis the holders of equity shares. The distribution will be in proportion to the number of shares held by the shareholders.

Each holder of preference shares is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to preference shares. Further, they shall have the right to vote on all resolutions placed before the Company if the dividend on such preference shares remain unpaid over a period of two years or more.

Note 20: Provisions

Particulars	₹ in Lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-current		
Provision for employee benefits		
- Compensated absences	315.47	284.50
Total	315.47	284.50
Current		
Provision for employee benefits		
- Compensated absences	63.15	54.00
- Superannuation	59.82	66.08
Total	122.97	120.09

Note 21: Other liabilities

Particulars	₹ in Lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Current		
Statutory dues (contribution to PF, Withholding tax, Service Tax/GST etc.)	181.60	189.32
Contested demands	448.70	470.93
Advances received from customers	577.23	362.20
Total	1,207.53	1,022.45

Note 22: Deferred Government grant

Particulars	₹ in Lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
TUF Capital investment subsidy - Opening	1,762.86	26.03
Add: Addition during the year**	24.23	1,982.98
Less: Apportioned to revenue*	(240.82)	(240.82)
Less: Apportioned to revenue	(6.52)	(5.33)
Total	1,539.75	1,762.86

* Deferred govt grant liability has been reconginsed against the capital subsidy received from M.P. State Govt & to be adjusted over the life of assets.

** Deferred govt grant liability has been reconginsed against the TUF capital subsidy received ₹20.96 Lakh from Textile Ministry and Duty Exemption ₹3.27 Lakh on import of Capital Goods to be adjusted over the life of assets.

Note 23: Trade payables

Particulars	₹ in Lakhs	
	As at 31 st March, 2021	As at 31 st March, 2020
Total outstanding dues of micro enterprises and small enterprises(Refer Note. No. 23.1)	1,057.43	589.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,999.99	5,166.36
Total	6,057.42	5,756.04



Notes Forming Part of the Financial Statements

Note 23.1

Disclosure Under the Micro, Small and Medium enterprise Development Act, 2006 are provided as under for the year 2020-21, to the extent the company has received intimation from the "Suppliers" regarding their status under the Act.

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
(a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act.)		
(i) Principal amount due to micro and small enterprise.	1,052.07	588.89
(ii) interest due on above	5.36	0.79
(b) Amount of payments made to suppliers beyond the appointed day during the year		
(i) Principal amount.	5.42	293.30
(ii) interest actually paid under section 16 of MSMED Act.	0.05	2.80
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(d) "The amount of interest accrued and remaining unpaid at the end of accounting year"	-	-
(e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Due to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 24: Right of Use Assets

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021: (₹ in Lakhs)

Particulars	Category ROU Assets		Total
	Land	Buildings	
Balance as at April 1, 2020	648.52	442.57	1,091.09
Reclassified on account of adoption of Ind AS 116 (refer to note 3)	-	-	-
Additions	-	318.43	318.43
Deletion	-	-	-
Depreciation	7.41	242.55	249.96
Balance as at March 31, 2021	641.11	518.45	1,159.56

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2021 (₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current lease liabilities	258.50	189.46
Non-current lease liabilities	438.69	404.43
Total	697.19	593.89



Notes Forming Part of the Financial Statements

The following is the movement in lease liabilities during the year ended March 31, 2021: (₹ in Lakhs)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Balance at the beginning	593.89	-
Additions	318.43	798.38
Finance cost accrued during the period	69.54	64.21
Deletions	-	-
Payment of lease liabilities	284.67	268.70
Translation Difference	-	-
Balance at the end	697.19	593.89

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis: (₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	44.06	38.65
One to five years	601.52	509.39
More than five years	2,061.05	2,064.85
Total	2,706.63	2,612.89

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Leases not yet commenced to which Company is committed amounts to ₹Nil as on March 31, 2021 (₹3.30 Lakh as on March 31, 2020) for a lease term ranging less than one year.

Note 25: Revenue from operations

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
A. Sale of Goods		
-Manufactured goods		
Yarn	27,653.41	29,562.49
Fabric	19,521.13	21,139.82
Garments/Made-ups	10,859.39	11,301.30
Cotton/Other waste	3,699.33	4,253.28
-Traded Goods	-	-
Yarn	75.38	103.18
(A)	61,808.64	66,360.08
B. Sale of Services		
Job charges	377.59	67.24
(B)	377.59	67.24
C. Other operating revenue		
Sale of scrap	94.29	124.37
Export incentives	921.58	1,043.23
(C)	1,015.87	1,167.60
Total	(A) + (B) + (C)	67,594.91

Note 25.1: Revenue from contracts with customers disaggregated based on geography (₹ in Lakhs)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
India	36,259.21	35,967.85
Outside India	26,942.89	31,627.06
Total	63,202.10	67,594.91

**Notes Forming Part of the Financial Statements****Note 25.2: The following is analysis on the Company's revenue disaggregates on the basis of timing of revenue recognition**

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
At the point to time	63,202.10	67,594.91
Over the period	-	-
Total	63,202.10	67,594.91

Note 25.3: Revenue based on business segment

The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction period has been allocated.

Note 25.4: Reconciliation of Revenue from Contracts with Customers

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Revenue from contracts with Customers as per Contract price	63,224.84	67,656.60
Less: Incentives, Discounts and Claims	22.74	61.69
Revenue from Contracts with Customers as per Standalone Statement of Profit & Loss	63,202.10	67,594.91

The amount receivable from customers become due after expiry of credit period. There is no significant financing component in any transaction with the customers.

Note 26: Other income

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Interest income	293.23	305.18
Net gain or loss on foreign currency transaction & translation (Other than considered as finance cost)	216.68	672.81
Net gain on sale of capital assets	25.92	32.84
Provision/Liability no longer required written back	105.69	455.36
State interest subsidy	-	183.94
Miscellaneous income	114.57	102.05
Fair value gain/(loss) on Re-measurement of investment at FVTPL	25.43	(18.82)
Total	781.52	1,733.37

Note 27: Cost of material consumed

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
A. Raw materials consumed		
Cotton	23,594.27	27,659.70
Other fibers	1,638.68	1,597.85
Dyes & Chemicals	2,609.88	3,511.45
Embellishments	1,020.50	1,084.71
(A)	28,863.33	33,853.71
B. Purchases for consumption		
Yarn	6,832.59	5,374.32
Fabric	2,020.33	3,168.13
(B)	8,852.92	8,542.45
C. Other materials consumed		
Packing materials	844.88	893.21
	844.88	893.21
Total	(A)+(B)+(C) 38,561.13	43,289.37

**Notes Forming Part of the Financial Statements****Note 28: Change in inventories of finished goods, work-in-progress & stock-in-trade** (₹ in Lakhs)

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Inventories (At close)		
Finished Goods	4,971.65	4,477.56
Work-in-progress	2,045.17	1,510.34
Waste	204.02	176.32
	7,220.84	6,164.22
Inventories (At opening)		
Finished Goods	4,477.56	5,312.41
Work-in-progress	1,510.34	1,670.60
Waste	176.32	42.30
	6,164.22	7,025.31
	(1,056.62)	861.09

Note 29: Employee Benefits Expense

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Salaries & wages and bonus	7,787.70	8,815.89
Contribution to provident and other funds	530.10	877.85
Workman and staff welfare	103.48	171.42
Total	8,421.28	9,865.16

Note 30: Finance costs

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Interest expense including corporate restructuring exp (refer note (i & ii) below)	1,500.77	1,421.98
Interest on Unsecured Loan measured at amortised cost	10.20	9.26
Bank Charges	98.59	93.16
Dividend on redeemable preference shares (Refer note (iii) below)	45.78	45.78
Total	1,655.34	1,570.18

Notes:

- Interest expenses are net off - from current year interest subsidy under the Technology Upgradation Fund Scheme (TUFFS) ₹10.65 Lakhs & under State subsidy ₹197.52 Lakhs for 31st March 2021 (previous year under the Technology Upgradation Fund Scheme (TUFFS) ₹47.72 Lakhs & under State subsidy ₹318.39 Lakh).
- Recompense Expenses - Refer note number -44 (2)
- During the financial year 2019-20, dividend distribution tax provisions on dividend has been amended and adjusted accordingly.

Note 31: Depreciation and amortisation expense

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Depreciation of property, plant and equipment	2,561.31	2,610.91
Amortisation of Intangible assets	85.41	76.72
Less: Amortisation of deferred Govt. grant (M.P. Govt Subsidy)	(240.82)	(240.82)
Less: Amortisation of deferred Govt grant (TUF Subsidy)	(6.52)	(5.34)
Total	2,399.38	2,441.47



Notes Forming Part of the Financial Statements

Note 32: Other expenses

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Consumption of stores & spare parts	1,232.70	1,409.05
Job work costs	1,831.70	2,047.65
Power & fuel	4,717.92	5,114.13
Repairs & maintenance		
-Plant & Machinery	125.45	136.37
-Buildings	10.23	30.30
-Others	126.78	144.90
Insurance	161.38	202.66
Rent	4.96	3.37
Rates & Taxes	24.27	40.65
Freight & Forwarding	1,179.12	1,041.28
Commission to selling agents	349.60	458.66
Selling expenses	610.29	641.89
Provision for doubtful advances	369.38	43.32
Loss on sale of Capital assets	13.25	14.74
CSR expenditure (refer note (i) below)	8.83	32.14
Payment to statutory auditors (refer note (iii) below)	23.67	25.29
Other expenses	1,078.26	1,373.08
Excise Duty SCN Provision	-	1.17
Total	11,867.79	12,760.64

Notes:

(i) The Company has contributed and expensed ₹8.83 Lakhs during the year ended 31st March 2021 (31st March, 2020 : ₹32.14 Lakhs) against the total contributable amount of ₹2.50 Lakhs for the year ended 31st March, 2021 (31st March, 2020 : ₹27.35 Lakhs) in accordance with section 135 of Companies Act, 2013 to various trusts and social organisation. The contributions have been made towards Educational activities.

(ii) Amount spent during the year

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Corporate social responsibility		
-In cash/Cheque	8.83	32.14
Total	8.83	32.14

(iii) Payment to auditor comprise

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
(i) Statutory audit Fee	21.00	21.00
(ii) Limited review	1.50	1.50
(iii) Out of pocket expenses	1.17	2.79
Total	23.67	25.29



Notes Forming Part of the Financial Statements

Note 33: Income Taxes

33.1 Income taxes recognised in profit and loss

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Current tax		
In respect of the current year	576.90	-
	576.90	-
In respect of the previous years		
In respect of the prior years	(84.81)	-
	(84.81)	-
Deferred tax		
In respect of the current year	341.82	-
	341.82	-
Total income tax expense recognised in the current year	833.91	-

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Profit before tax	2,086.98	(1,528.12)
Statutory Income tax rate	34.944%	33.384%
Tax at Indian statutory income tax rate	729.00	-
Effect due to change in rate & Deferred Tax	189.72	-
Adjustment recognised in the current year in relation to the current tax of prior years	(84.81)	-
Income tax expense recognised in profit or loss	833.91	-

The tax rate 34.944% used for the period ended 31st March 2021 and 33.384% for the year 31st March, 2020 in reconciliations above is the corporate tax rate of 34.944% (Previous year rate 33.384%) payable by corporate entities in India on taxable profit under the Income tax law.

Note 33.2 : Income tax recognised in other comprehensive income

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Current tax		
Deferred Tax		
Remeasurements of defined benefit obligation	55.67	(39.32)
Effective portion of cash flow hedge reserve	(121.98)	118.23
Total income tax recognised in other comprehensive income	(66.31)	78.91

Note 33.3 : Income tax recognised for earlier years

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Provision of tax payable under Vivad se vishwas Scheme from MAT Credit Balance		
Tax payable under V to V Scheme for Ass. Year 2009-10 and 2013-14	439.08	-
Total of Provision for tax	439.08	-
Add:- Tax deposit for Assessment year 2019-20	2.33	-
	441.42	-
Less:- Provision of tax refundable for ITR Revised and Deferred tax asset created		
Revised ITR filled for Ass. Year 2011-12, 2012-13 and 2013-14	(526.23)	-
	(84.81)	-

Note for V to V Scheme :- DTVSV Scheme was announced in Budget 2020 as "No Dispute but Trust Scheme-Vivad se Vishwas Scheme" to settle pending disputes relating to direct taxes. The Company opted the scheme for the assessment year 2009-10 & 2013-14 for settlement of pending appeal and tax liability.



Notes Forming Part of the Financial Statements

Notes 33.4 : Deferred Tax Assets, Liabilities & MAT details

Particulars	Amount
Opening Balance as on 1st April 2020	69.37
Amount charged to P & L A/c	
For Provision for Income tax for current year other than MAT (576.90-133.27)	443.63
Def. Tax Assets created on provision for employees benefit, CRPS, Doubtful Debts & Loss of previous year	(2.06)
Def Tax Liability created on PPE	343.88
Def. Tax Assets created on income of revised ITR filled for Ass. Year 2011-12 to 2013-14	(526.23)
Utilisation of MAT Credit Balance for Ass. Year 2009-10 & 2013-14 (Refer Note 33.3)	439.08
Total Amount charged to P & L A/c	698.31
Amount charged to OCI A/c	
Def. Tax Assets set off for cash flow hedge reserve	121.98
Def Tax Liability set off for employees benefit	(55.67)
Total Amount charged to OCI A/c	66.31
Closing Balance as on 31st March 2021	(833.99)

Particulars	(₹ in Lakhs)
Reconciliation of tax expenses	
Total Amount Charged to P & L A/c as above Note no. 33.4	698.31
Add:- Amount of tax deposit for Assessment year 2019-20	2.33
Add:- For Provision for Income tax (MAT) for current year (₹576.90 Lakh - ₹443.63 Lakh)	133.27
Tax Expenses as per P & L A/c	833.91

Note 34: Earnings per share

Basic earnings per equity shares has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Profit after tax as per statement of Profit & Loss A/c	1,253.07	(1,528.12)
Net earning for computing basic earnings per share	1,253.07	(1,528.12)
Add: Interest (net of tax)	-	-
Total	1,253.07	(1,528.12)
Number of equity shares	4,15,08,000	4,15,08,000
Weighted average number of equity shares used in computing the basic earnings per share	4,15,08,000	4,15,08,000
Weighted average number of equity shares used in computing the basic earnings per share	4,15,08,000	4,15,08,000
Basic earnings per share of ₹10 each	3.02	(3.68)
Diluted earnings per share of ₹10 each	3.02	(3.68)
Face value per share (in ₹)	10	10

Potential equity options may arise in the event of default in payment due on loan funds. Potential options also exist in the form of right of CDR lenders to convert 20% of their debt outstanding beyond seven years from the date of CDR Letter into equity capital.

Note 35: Segment Reporting

The Company is currently organized into three business operating segments: Yarn, Fabric and Textile Made-ups. The Company's business segments offer different products and require different technology and marketing strategies.

Identification of Segments

The Board of Directors of the Company has been identified as Chief Operation Decision Maker who monitors the operating results of its



Notes Forming Part of the Financial Statements

business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Accounting policy in respect of segments is in conformity with accounting policy of the company as a whole.

Inter segment Transfer

Segment revenue resulting from transactions with other business segments is accounted for on basis of transfer price agreed between the segments. Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Segment Revenue & Results

The Revenue and Expenditures in relation to the respective segments have been identified and allocated to the extent possible. Other revenue and expenditures non allocable to specific segments are disclosed separately as unallocated and adjusted directly against total income of the Company.

Segment Assets & Liabilities

Segment Assets includes all operating assets used by the operating segment and mainly consisting property, plant & equipment, trade receivables, cash and cash equivalents and inventory etc. Segment Liabilities primarily include trade payables and other liabilities. Common assets & liabilities which can not be allocated to specific segments are shown as a part of unallocable assets/liabilities.

Particulars	As at March. 31, 2021				Total
	Yarn	Fabric	Textile Made-ups	Inter Segment and Unallocated Items	
Segment Revenue					
External customers	32,031.44	19,794.11	11,376.49	-	63,202.04
Inter-segment	14,334.20	4,032.47	-	(18,366.67)	-
Total Revenue	46,365.64	23,826.58	11,376.49	(18,366.67)	63,202.04
Segment Expenses	43,400.18	23,149.73	11,065.73	-	77,615.64
Segment Results	2,965.46	676.85	310.76	3,953.07	3,953.07
Un-allocable Expenses					(210.75)
Other Income					-
Finance costs					(1,655.34)
Profit before Tax					2,086.98
Tax Expenses					(833.91)
Profit After Tax					1,253.07
Other Information:					
Depreciation, Amortization and Impairment					
Allocable	1,415.84	632.56	350.98	-	2,399.38
Un-allocable	-	-	-	-	-
Total	1,415.84	632.56	350.98	-	2,399.38
Capital Expenditures					
Allocable	16.20	148.65	501.39	-	666.24
Un-allocable	-	-	-	-	-
Total	16.20	148.65	501.39	-	666.24
Impairment loss					
Segment Assets					
Allocable	22,574.69	14,455.41	6,850.51	-	43,880.61
Un-allocable	-	-	-	276.72	276.72
Total Assets	22,574.69	14,455.41	6,850.51	276.72	44,157.33
Segment Liabilities					
Allocable	18,899.44	11,113.51	2,255.07	-	32,268.02
Un-allocable	-	-	-	2,124.96	2,124.96
Total liabilities	18,899.44	11,113.51	2,255.07	2,124.96	34,392.98



Notes Forming Part of the Financial Statements

Particulars	As at March. 31, 2020				Total
	Yarn	Fabric	Textile Made-ups	Inter Segment and Unallocated Items	
Segment Revenue					
External customers	34,255.09	21,356.74	11,983.08	-	67,594.91
Inter-segment	15,820.26	4,996.06	-	(20,816.32)	-
Total Revenue	50,075.35	26,352.80	11,983.08	(20,816.32)	67,594.91
Segment Expenses	49,003.86	26,171.75	12,956.27	-	88,131.88
Segment Results	1,071.49	181.05	(973.20)	279.34	279.34
Un-allocable Expenses					(237.28)
Other Income					-
Finance costs					(1,570.18)
Profit before Tax					(1,528.12)
Tax Expenses					-
Profit After Tax					(1,528.12)
Other Information:					
Depreciation, Amortization and Impairment					
Allocable	1,492.52	590.20	358.75	-	2,441.47
Un-allocable	-	-	-	-	-
Total	1,492.52	590.20	358.75		2,441.47
Capital Expenditures					
Allocable	1,287.01	146.02	619.82	-	2,052.85
Un-allocable	-	-	-	-	-
Total	1,287.01	146.02	619.82		2,052.85
Impairment loss					
Segment Assets					
Allocable	24,320.11	12,772.51	5,868.22	-	42,960.84
Un-allocable	-	-	-	304.55	304.55
Total Assets	24,320.11	12,772.51	5,868.22	304.55	43,265.39
Segment Liabilities					
Allocable	20,746.35	10,346.63	1,993.78	-	33,086.76
Un-allocable	-	-	-	1,804.02	1,804.02
Total liabilities	20,746.35	10,346.63	1,993.78	1,804.02	34,890.78

Geographical information

a. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers in tabulated below:

Geography	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
India	36,259.21	35,967.85
North America	2,549.78	2,591.99
Europe	8,604.10	8,779.01
Gulf & Middle east	276.70	662.58
Far East & South east Asia	14,293.03	17,906.30
Africa	1,080.56	1,535.85
Rest of the world	138.72	151.33
	63,202.10	67,594.91



Notes Forming Part of the Financial Statements

b. Information regarding geographical non-current assets is as follows:

Geography	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
India	17,073.35	19,085.85
Outside India	-	-
	17,073.35	19,085.85

Information about major customers

There are no customer having 10% or more of total revenue

Revenue for Products & Services

The detail of revenue from Products & Services are given below:

Geography	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Sale of goods	61,808.64	66,360.08
Sale of services	377.59	67.24
	62,186.23	66,427.32

Note 36: Impact of Covid-19 pandemic

On account of mitigation of Covid-19 pandemic and on the basis of current assessment and performance of the company, the Company expects to recover the carrying amount of assets comprising property, plant and equipment, inventories and trade receivables and no material adjustment is required in the financial results. The results for the current & previous quarter support this assessment and we expect this momentum to continue.

Note 37: Contingent Liabilities

Geography	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
i. Claims against the Company not acknowledged as debts	-	-
ii. Income tax matters in dispute	72.65	392.65
iii. Excise / customs / service tax matters in dispute	36.87	45.35
iv. Sales tax matters in dispute	9.34	9.34
v. Recall of certain DEPB benefits, in dispute	36.63	35.81
vi. Other pending litigations		
- Labour cases involving claims for reinstatement, back wages etc.	203.17	182.60
- GST Related cases involving tax & Interest etc.	126.91	-
- Parallal Operation Charges	48.14	26.14
- Civil cases for recoveries, counter claims etc.	-	-

Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decisions in the company's favour in respect of all the items listed at (i) to (vi) above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

Note 38: Commitments

Geography	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	720.39	6.30
Export obligations under the Export Promotion Capital Goods Scheme, remaining to be fulfilled within the specified period*	65.18	899.57

*Export obligation under EPCG scheme ₹65.18 Lac as on 31st March 2021 (Previous year as on the date of adoption of financials by the Board (19 June 2020), export obligation under EPCG scheme for the export obligation of spares upto 31st March 2020 is pending for ₹391.95 Lakh out of ₹899.57 Lakh.)



Notes Forming Part of the Financial Statements

Note 39: Employee Benefits

A. Defined Contribution plans

The Company makes contributions towards provident fund and superannuation fund, to defined contribution retirement benefit plans for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the Trustees of the 'Maral Overseas Limited Senior Executive Superannuation Fund'. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The amounts recognized as expense for defined contribution plans are as follows:

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Provident fund	467.81	537.87
Supperannuation fund	55.47	67.61

B. Defined Benefit plans

The Company makes annual contributions towards funding the defined benefit plans for qualifying employees and also contributes towards the insurance scheme of ICICI Prudential Life Insurance Co. Ltd. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary (last drawn salary) payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

i. The principal assumptions used for the purpose of the actuarial valuation were as follows:

Assumptions	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Economic Assumptions		
Discount rate	6.75%	6.76%
Salary escalation	5.00%	0% for 1 st year & thereafter 5%
Demographic Assumptions		
Retirement Age	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
-Up to 30 Years	3%	3%
-From 31 to 44 years	2%	2%
-Above 44 years	1%	1%

ii. Movements in present value of the defined benefit obligation	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Present value of obligation as at the beginning of the period	1,417.79	1,403.56
Acquisition adjustment Out	-	-
Interest cost	95.84	108.78
Current service cost	138.35	115.33
Past Service Cost including curtailment Gains/Losses	-	-
Benefit paid	(159.33)	(135.77)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	(0.10)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	1.76	(39.88)
Actuarial (Gain)/Loss on arising from Experience Adjustment	299.98	(34.12)
Liability at the end of the year	1,794.40	1,417.79



Notes Forming Part of the Financial Statements

iii. Movements in the fair value of plan assets	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Fair Value of plan assets at the beginning of the period / year	1,540.86	1,263.64
Contribution from the employer	-	139.92
Transfer IN/OUT	137.75	-
Actual return on plan assets	246.58	141.62
Benefits paid	(65.74)	(4.31)
Actuarial gain/loss for the year on asset	-	-
Fair value of the plan assets at the end of the period / year	1,859.46	1,540.86

iv. Amount recognized in the Balance Sheet	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Present Value of the obligation at end	1,794.40	1,417.79
Fair value of plan assets at the end of the period / year	1,859.46	1,540.86
Unfunded Liabilities recognised in the Balance Sheet	65.06	123.07

v. Expenses recognized in the Statement of Profit and Loss	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Current service cost	138.35	115.33
Net Interest cost	(8.32)	10.84
Expense recognised in the Statement of Profit and Loss	130.03	126.17

vi. Other Comprehensive Income	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	(301.74)	74.10
Actuarial gain / (loss) for the year on Asset	142.42	43.69
Unrecognized actuarial gain/(loss) at the end of the year	(159.32)	117.79

vii. Major categories of plan assets	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Insurer Managed Fund	100%	100%

viii. Change in Net benefit Obligations	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Net defined benefit liability at the start of the period	(123.07)	139.91
Acquisition adjustment	-	-
Total Service Cost	138.35	115.33
Net Interest cost (Income)	(8.32)	10.84
Re-measurements	159.32	(117.79)
Contribution paid to the Fund	-	(139.92)
Transfer IN/OUT	(137.75)	-
Benefit paid directly by the enterprise	(93.60)	(131.46)
Net defined benefit liability at the end of the period	(65.06)	(123.07)



Notes Forming Part of the Financial Statements

(₹ in Lakhs)

ix. Bifurcation of PBO at the end of year in current and non current.	As at 31 st March, 2021	As at 31 st March, 2020
Current liability (Amount due within one year)	237.14	73.43
Non-Current liability (Amount due over one year)	1,557.26	1,344.36
Total PBO at the end of year	1,794.40	1,417.79

(₹ in Lakhs)

x. Sensitivity Analysis of the defined benefit obligation	As at 31 st March, 2021	As at 31 st March, 2020
a) Impact of the change in discount rate		
-Impact due to increase of 0.50 %	(84.40)	(74.56)
-Impact due to decrease of 0.50 %	93.34	80.64
b) Impact of the change in salary increase		
-Impact due to increase of 0.50 %	93.55	80.79
-Impact due to decrease of 0.50 %	(85.28)	(75.28)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

xi. The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the auditors.

xii. The employer's best estimate of contribution expected to be paid during the next year is ₹237.14 Lakhs.

(₹ in Lakhs)

xiii. Maturity profile of Defined Benefit obligation	As at 31 st March, 2021	As at 31 st March, 2020
Year		
0 to 1 Year	237.14	73.44
1 to 2 Year	31.53	40.49
2 to 3 Year	56.99	27.17
3 to 4 Year	75.94	48.79
4 to 5 Year	64.10	65.42
5 to 6 Year	68.75	55.92
6 Year onwards	1,259.94	1,106.57

B.2. Defined Benefit plans- Compensated absences (Leave Encashment)

i. The principal assumptions used for the purpose of the actuarial valuation were as follows: (₹ in Lakhs)

Assumptions	As at 31 st March, 2021	As at 31 st March, 2020
Economic Assumptions		
Discount rate	6.75%	6.76%
Salary escalation	5.00%	0% for 1 st year & thereafter 5%
Demographic Assumptions		
Retirement Age		
Leave Availment Rate		
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
-Up to 30 Years	3%	3%
-From 31 to 44 years	2%	2%
-Above 44 years	1%	1%



Notes Forming Part of the Financial Statements

(₹ in Lakhs)

ii. Movements in present value of the defined benefit obligation	As at 31 st March, 2021	As at 31 st March, 2020
Present value of obligation as at the beginning of the period	314.90	296.91
Acquisition adjustment Out	-	-
Interest cost	21.29	23.01
Current service cost	67.78	58.35
Benefit paid	(80.98)	(87.69)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	(0.15)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	0.37	(9.11)
Actuarial (Gain)/Loss on arising from Experience Adjustment	31.65	33.58
Liability at the end of the year	355.00	314.90

(₹ in Lakhs)

iii. Amount recognized in the Balance Sheet	As at 31 st March, 2021	As at 31 st March, 2020
Liability at the end of the period / year	355.00	314.90
Unfunded Liabilities recognised in the Balance Sheet	355.00	314.90

(₹ in Lakhs)

iv. Expenses recognized in the Statement of Profit and Loss	As at 31 st March, 2021	As at 31 st March, 2020
Current service cost	67.78	58.35
Net Interest cost	21.29	23.01
Actuarial (gain)/loss on obligations	32.02	24.47
Expense recognised in the Statement of Profit and Loss	121.09	105.83

(₹ in Lakhs)

v. Change in Net benefit Obligations	As at 31 st March, 2021	As at 31 st March, 2020
Net defined benefit liability at the start of the period	314.90	296.91
Acquisition adjustment		
Total Service Cost	67.78	58.35
Net Interest cost (Income)	21.29	23.01
Re-measurements	32.02	24.32
Contribution paid to the Fund	-	-
Benefit paid directly by the enterprise	(80.98)	(87.69)
Net defined benefit liability at the end of the period	355.00	314.90

(₹ in Lakhs)

vi. Bifurcation of PBO at the end of year in current and non current.	As at 31 st March, 2021	As at 31 st March, 2020
Current liability (Amount due within one year)	60.74	52.26
Non-Current liability (Amount due over one year)	294.26	262.64
Total PBO at the end of year	355.00	314.90



Notes Forming Part of the Financial Statements

(₹ in Lakhs)

vii. Sensitivity Analysis of the defined benefit obligation	As at 31 st March, 2021	As at 31 st March, 2020
a) Impact of the change in discount rate		
-Impact due to increase of 0.50 %	(17.88)	(15.92)
-Impact due to decrease of 0.50 %	19.20	17.04
b) Impact of the change in salary increase		
-Impact due to increase of 0.50 %	19.56	17.43
-Impact due to decrease of 0.50 %	(18.06)	(16.09)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

viii. The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the auditors.

ix. The employer's best estimate of contribution expected to be paid during the next year is ₹ 60.74 Lakhs

(₹ in Lakhs)

xiii. Maturity profile of Defined Benefit obligation	As at 31 st March, 2021	As at 31 st March, 2020
Year		
0 to 1 Year	60.74	52.26
1 to 2 Year	6.06	10.70
2 to 3 Year	7.71	5.12
3 to 4 Year	13.35	6.56
4 to 5 Year	12.11	12.23
5 to 6 Year	13.87	11.49
6 Year onwards	241.17	218.26

These plans typically expose the Company to actuarial risks such as Investment risk, salary risk, discount rate risk, mortality risk, withdrawals risk.

Salary risk	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability
Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability risk	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

B.3. Defined Benefit plans- Leave Obligations (Compensated Expenses)

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision as on 31st March 2021 ₹1.70 Lakhs (31st March 2020 ₹1.74 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.



Notes Forming Part of the Financial Statements

Note: 40 Related Party Disclosures

Note : 40.1 List of Related Parties as per Ind As 24 & Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

S.No.	Name of Related Party	Nature of Relationship	
A	(i) A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity.	Shri Shekhar Agarwal	Promoters having voting control
		Shri Shantanu Agarwal	Promoters having voting control
	(ii) A person or a close member of that person's family of a reporting entity has significant influence over the reporting entity.	Shri Shekhar Agarwal	
		Smt. Shashi Agarwal	
		Shri Shantanu Agarwal	
		Smt. Shuchi Poddar	
	(iii) A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.	Shri Ravi Jhunjhunwala	
		Shri Shekhar Agarwal	
		Shri Shantanu Agarwal	Directors of the Company
		Dr. Kamal Gupta	
Shri Priya Shankar Dasgupta			
Mrs. Archana Capoor			
Shri Atul Kumar Jain		Chief Financial Officer	
Shri Virendra Kumar Garg		Company Secretary	
B	(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).	N.A.	
		N.A.	
	(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).	N.A.	
		N.A.	
	(iii) Associated and other entities are joint ventures of the same third party.	N.A.	
		N.A.	
	(iv) One Entity is a joint venture of a third party and the other entity is an associate of the third entity.	N.A.	
		N.A.	
	(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.	Maral Overseas Limited senior executive superannuation	Trust
		MOL Employees gratuity fund	Trust
(vi) The entity is controlled or jointly controlled by a person identified in A.	Aadi Marketing Company Private Limited		
	Agarwal Finestate Private Ltd		
	AKJ Apparels Private Limited		
	Apeksha Vyapar Private Limited		
	Bhilwara Technical Textiles Limited	Holding more than 50 % of the Shareholding along with relatives in the Company and including KMPs.	
	BMD Power Private Limited		
	BMD Private Limited		
	BMD Renewable Energy Private Limited		
	Bhilwara Energy Limited		
	BSL Limited		

Notes Forming Part of the Financial Statements

	Captain Trade & Agencies Private Limited		
	Diplomat Leasing and Finance Private Limited		
	HEG Limited		
	MG Marketing and Trading Private Limited		
	New Delhi Law Office/Asia Law Office		
	Pawanputra Trading Private Limited		
	RANDR Trustee Private Limited	Holding more than 50 % of the Shareholding along with relatives in the Company and including KMPs.	
	RLJ Family Trusteeship Private Limited		
	RRJ Family Trustee Private Limited		
	RSWM Limited		
	Sita Nirman Private Limited		
	SKLNJ Family Trusteeship Private Limited		
	SSSA Family Private Limited		
	Ultramarine Impex Private Limited		
	Zoongoo Commercial Co. Private Limited		
(vii)	A person identified in A (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).		
1	Shri Shekhar Agarwal		
	Aadi Marketing Company Private Limited		
	Agarwal Finestate Private Limited		
	Apeksha Vyapar Private Limited		
	Bhilwara Technical Textiles Limited		
	BMD Power Private Limited		
	BMD Private Limited		
	BMD Renewable Energy Private Limited	Holding more than 20 % of the Shareholding along with relatives in the Company.	
	Diplomat Leasing and Finance Private Limited		
	MG Marketing and Trading Private Limited		
	Pawanputra Trading Private Limited		
	Sita Nirman Private Limited		
	SSSA Family Private Limited		
	Ultramarine Impex Private Limited		
2	Shri Shantanu Agarwal		
	Aadi Marketing Company Private Limited		
	Agarwal Finestate Private Limited		
	Apeksha Vyapar Private Limited		
	Bhilwara Technical Textiles Limited		
	BMD Power Private Limited		
	BMD Private Limited		
	BMD Renewable Energy Private Limited	Holding more than 20 % of the Shareholding along with relatives in the Company .	
	Diplomat Leasing and Finance Private Limited		
	MG Marketing and Trading Private Limited		
	Pawanputra Trading Private Limited		
	Sita Nirman Private Limited		
	SSSA Family Private Limited		
	Ultramarine Impex Private Limited		
(viii)	The Entity, or any member of a group of which it is part , provide key management personal service to the reporting entity of to the parent of reporting entity.		
	N.A.		
(ix)	Reporting entity being an associate of the other entity.		
	Agarwal Trademart Private Limited		

Note 40.2 : Details of transactions with related parties

Sr. No.	Transaction	Key Managerial Personnel & close members		Reporting entity being an associate of other entity		A person and enterprises over which any person described other than A-(i-iii) and B-(ix) is able to exercise significant influence over the reporting enterprises.		Total	
		31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
1	Sitting Fees	28.30	30.00	-	-	-	-	28.30	30.00
2	Remuneration	-	-	-	-	-	-	-	-
a	-Short term employees benefit	194.66	152.81	-	-	-	-	194.66	152.81
b	-Post employment benefit	20.39	22.68	-	-	-	-	20.39	22.68
c	Termination benefits	-	-	-	-	-	-	-	-
d	Share-based payment.	-	-	-	-	-	-	-	-
e	Other long-term benefits	-	-	-	-	-	-	-	-
3	Rent	17.38	15.91	-	-	52.00	52.00	69.38	67.91
4	Reimbursement of Expenses recovered from	-	-	-	-	16.32	13.00	16.32	13.00
5	Reimbursement of Expenses paid to	-	-	-	-	66.19	84.08	66.19	84.08
6	Purchases of Material	-	-	-	-	47.92	182.22	47.92	182.22
7	Job Charges Payable	-	-	-	-	12.67	1.09	12.67	1.09
8	Sale of Material	-	-	-	-	1,280.78	735.02	1,280.78	735.02
9	Job Charges Received	-	-	-	-	204.21	4.04	204.21	4.04
10	Interest Paid	-	-	40.00	40.00	-	-	40.00	47.27
11	Redemption of Cumulative Redeemable Preference Shares (CRPS)	-	-	-	-	-	-	-	-
12	Dividend accrued on Cumulative Redeemable Preference Shares	1.88	1.88	-	-	16.12	16.12	18.00	18.00
13	Payment received from trust towards gratuity	-	-	-	-	2.46	60.04	2.46	60.04
14	Payment made to trust towards gratuity	-	-	-	-	-	139.92	-	139.92
15	Payment made to trust towards superannuation	-	-	-	-	-	51.49	-	51.49
16	Unsecured Loan Due to	-	-	-	-	-	489.80	-	489.80
17	Unsecured Loan Received	-	-	-	-	-	400.00	-	400.00
18	Unsecured Loan Paid	-	-	500.00	-	-	400.00	500.00	400.00
19	Outstanding Due to	-	-	-	-	7.97	16.18	7.97	16.18
20	Outstanding Receivable	-	-	-	-	15.52	4.04	15.52	4.04
21	Outstanding Cumulative Redeemable Preference Shares	59.61	59.61	-	-	512.61	512.61	572.22	572.22
22	Dividend payable on Cumulative Redeemable Preference Shares	21.82	19.94	-	-	187.68	171.55	209.50	191.49
	TOTAL	344.04	302.83	540.00	529.80	2,422.45	2,850.68	3,306.49	3,683.31

Terms & Conditions

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates and outstanding balances are unsecured.

**Notes Forming Part of the Financial Statements****Note 41: Financial Instruments****41.1 Capital Management**

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

41.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at	
	31 st March, 2021	31 st March, 2020
Debt (See note 'i' below) (Refer Note no. 18 & 19)	20,926.14	23,434.13
Cash and bank balances (Refer Note no. 13 & 14)	(334.39)	(968.70)
Net debt	20,591.75	22,465.43
Total equity (Refer Note no. 16 & 17)	9,764.35	8,374.61
Total equity and Net Debt	30,356.10	30,840.04
Gearing Ratio	67.83%	72.85%

Note:

- Debt is defined as long and short-term borrowings (excluding derivative, financial guarantee contracts), as described in notes 18 and 19.
- In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current years and previous years.

Note 41.2 financial instruments- accounting classification and fair value measurement**41.2.1 Financial Instrument by Category**

Particulars	As at	
	31 st March, 2021	31 st March, 2020
Financial assets		
- Measured at amortised cost		
Other financial assets (non current) (Refer Note No 8)	766.29	1,076.44
Trade receivables (Refer Note No 12)	9,773.43	7,528.98
Cash and cash equivalents (Refer Note No 13)	33.58	819.13
Bank Balances other than Cash and cash equivalents (Refer Note No 14)	300.81	149.57
Other financial assets (current) (Refer Note No 8)	873.23	857.55
Loans (Refer Note No 7)	86.04	64.66
- Measured at fair value through Profit & Loss		
Investments (Refer Note No 11)	55.31	29.88
Forward Contracts-Derivatives (Refer Note No 8)	153.59	-
Financial liabilities		
Measured at amortised cost		
Borrowings (non-current) (Refer Note No 18)	6,978.60	5,589.43
Borrowings (current) (Refer Note No 18)	12,707.65	16,183.46
Trade payables (Refer Note No. 23)	6,057.42	5,756.04
Other financial liabilities (non-current) (Refer Note No 19)	487.12	430.19
Other financial liabilities (current) (Refer Note No 18 & 19)	4,108.02	3,273.28
- Measured at fair value through Profit & Loss		
Forward Contracts-Derivatives (Refer Note No 19)	-	399.11

**Notes Forming Part of the Financial Statements****41.3 Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value and measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Note 41.3.1 The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

Particulars	As of March 31, 2021	Fair Value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investment in equity instruments-State Bank of India	55.30	55.30	-	-
Investment in equity instruments-BPL Engineering Limited	0.01	0.01	-	-
Derivative financial instruments - foreign currency forward	153.59	153.59	-	-
Financial Assets Measured at Amortised Cost				
Loans	4.89	-	4.89	-
Financial Liabilities Measured at Amortised Cost				
Borrowings	6,978.60	-	6,978.60	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020:

Particulars	As of March 31, 2020	Fair Value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Investment in equity instruments-State Bank of India	29.87	29.87	-	-
Investment in equity instruments-BPL Engineering Limited	0.01	0.01	-	-
Derivative financial instruments - foreign currency forward	(399.11)	(399.11)	-	-
Financial Assets Measured at Amortised Cost				
Loans	29.89	-	29.89	-
Financial Liabilities Measured at Amortised Cost				
Borrowings	5,589.43	-	5,589.43	-

Note 41.3.2 Valuation techniques used to determine Fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets and liabilities (security deposit taken/given and advance to employees) carried at amortized cost is approximately equal to fair value. Hence carrying value and fair value is taken same.
- Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as



Notes Forming Part of the Financial Statements

interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

- 3) The fair values of derivatives are estimated by using pricing models, where the inputs to those models are based on readily observable market parameters basis contractual terms, period to maturity, and market parameters such as interest rates, foreign exchange rates, and volatility. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement, and inputs thereto are readily observable from actively quoted market prices. Management has evaluated the credit and non-performance risks associated with its derivative counterparties and believe them to be insignificant and not warranting a credit adjustment.

Note 41.3.3 Fair Value Measurement Hierarchy

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below

Level 1: Quoted prices (unadjusted) in the active markets for identical assets or liabilities.

Level 2: Other techniques for which all the inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

41.4 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead."

41.5 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

41.5.1 Foreign currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate.

The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.



Notes Forming Part of the Financial Statements

The Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate foreign exchange related risk exposures. Derivative financial instruments relating to a firm commitment or a highly probable forecast transaction, are marked to market at every reporting date.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Details in respect of the outstanding hedge accounting relationships relating to a firm commitment given below:

Particulars	Year ended March 31, 2021			Year ended March 31, 2020		
	US\$	EURO	CHF	US\$	EURO	CHF
Trade Payables						
Trade Receivables	3231.05	209.91	-	2016.09	309.63	-
Other exposure in Foreign Currency (specify)						
Less: Hedged Portion	3231.05	209.91	-	2016.09	309.63	-
Unhedged Exposure	-	-	-	-	-	-

Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate (US\$ & EURO) to the Indian Rupees with all other variable held constant. The Impact on statement of profit & loss is given below:

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Increase	Decrease	Increase	Decrease
US\$ Sensitivity				
INR/US\$-increase/(decrease) by 1%	-	-	-	-
EURO Sensitivity				
INR/EURO-increase/(decrease) by 1%	-	-	-	-
CHF Sensitivity				
INR/CHF-increase/(decrease) by 1%	-	-	-	-

41.5.2 Interest rate risk

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

(i) The exposure of company borrowings to interest rate changes at the end of reporting period are as follows: (₹ in Lakhs)

Particulars	As at	As at
	31 st March, 2021	31 st March, 2020
Variable rate borrowings	6,978.60	5,589.43
Fixed rate borrowings	-	489.80
Total borrowings	6,978.60	6,079.23

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative

**Notes Forming Part of the Financial Statements**

instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's profit for the year ended 31st March, 2021 would decrease/increase by ₹ 24.27 Lakhs (31st March, 2020: decrease/increase by ₹ 17.77 Lakhs). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings.

41.5.3 Price risks

The company's exposure to price risk arises from the investment held by the company. To manage its price risk arising from investments in marketable securities, the company has very limited exposure and is done in accordance with the company policy. The company's major investments are actively traded in markets and are held for short period of time. Therefore no sensitivity is provided for the same.

41.6 Credit Risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- Actual or expected significant adverse changes in business.
- Actual or expected significant changes in the operating results of the counterparty.
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation
- Significant increase in credit risk and other financial instruments of the same counterparty
- Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

The company's major exposure is from trade receivables, which are unsecured and derived from external customers. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted securities and certificates of deposit which are funds deposited at a bank for a specified time period. Other loans are majorly provided to the subsidiaries and employee which have very minimal risk of loss.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

Age Bracket	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
0-90	9,046.53	7,142.75
91-180	458.86	216.40
181-365	452.79	145.72
Above 365	231.88	76.89
Total	10,190.06	7,581.76
Trade Receivables - Credit Impaired	416.63	52.78
Closing Balance	9,773.43	7,528.98

**Notes Forming Part of the Financial Statements**

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

The following table summarises the change in the loss allowances measured using expected credit loss model (ECL)

Particulars	(₹ in Lakhs)
	ECL for Trade Receivables
As at 01-04-2019	10.21
Provided/(Reversal) during the year	42.57
As at 31-03-2020	52.78
Provided/(Reversal) during the year	363.85
As at 31-03-2021	416.63

41.7 Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

Particulars	(₹ in Lakhs)					Total	Carrying Amount
	0-1 year	1-3 years	3-5 years	5+ years			
31st March, 2021							
Trade payables	6,057.42				6,057.42	6,057.42	6,057.42
Other financial liabilities	6,782.92	-	-		6,782.92	6,782.92	6,782.92
Borrowings	12,707.65	2,658.40	2,132.42	-	17,498.47	17,498.47	17,498.47
31st March, 2020							
Trade payables	5,756.04				5,756.04	5,756.04	5,756.04
Other financial liabilities	5,922.78	-	-		5,922.78	5,912.58	5,912.58
Borrowings	16,183.46	2,019.43	1,173.33	586.67	19,962.89	19,962.89	19,962.89

41.8 Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2021	As at 31 st March, 2020
Cash Credit Facility	-	-
Term Loan Facility	2252.50	2329.96



Notes Forming Part of the Financial Statements

41.9 Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The objective of hedges is to minimize the volatility of INR cash flows of highly probable forecast transaction. The Company's risk management policy is to hedge around 70% to 90% of net exposure with forward exchange contract, having a maturity upto 12 months.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

As on 31st March, 2021

Types of hedge and risks	Nominal value (Foreign Currency)				Carrying amount of hedging instruments (₹ in Lakhs)	Maturity date	Hedge ratio	Weighted average strike price/rate	
	US\$		EURO					US\$	EURO
	No. of Outstanding Contracts	Amount (₹ in Lakhs)	No. of Outstanding Contracts	Amount (₹ in Lakhs)					
Cash flow hedge-sell	68.00	196.52	6.00	9.33	153.59	April 21 - Dec.21	1:1	74.77	90.11
Cash flow hedge-Buy	-	-	-	-	-	-	-	-	-

As on 31st March, 2020

Types of hedge and risks	Nominal value (Foreign Currency)				Carrying amount of hedging instruments (₹ in Lakhs)	Maturity date	Hedge ratio	Weighted average strike price/rate	
	US\$		EURO					US\$	EURO
	No. of Outstanding Contracts	Amount (₹ in Lakhs)	No. of Outstanding Contracts	Amount (₹ in Lakhs)					
Cash flow hedge-sell	48.00	109.62	8.00	10.32	(399.11)	April 20-Sep.20	1:1	72.85	80.58
Cash flow hedge-Buy	-	-	-	-	-	-	-	-	-

Disclosure of effects of hedge accounting on financial performance

(₹ in Lakhs)				
Cash Flow hedge	Changes in the value of the hedging instruments recognised in other Comprehensive Income	Hedge ineffectiveness recognised in profit & loss	Amount reclassified from cash flow hedging reserve to profit & loss	Line item affected in the statement of profit and loss because of reclassification
31 st March 2021	362.31	-	-	-
31 st March 2020	(351.59)	-	-	-



Notes Forming Part of the Financial Statements

The Movement in hedging reserve during the year ended March 31, 2021 for derivatives designated

as cash flow hedge (refer note no. 17) is as follows:

Particulars	(₹ in Lakhs)	
	Period ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	(197.56)	35.80
Change in fair value of Effective portion of Cash Flow Hedge Recognised during the year	362.31	(351.59)
Amount Reclassified to Profit & Loss account during the period	-	-
Tax impact on above	(121.98)	118.23
Closing Balance	42.77	(197.56)

Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate (US\$ & EURO) to the Indian Rupees wit all other variable held constant. The Impact on the other component of Equity arises from foreign forward exchange contract designated as cash flow hedge reserve is given below:

Particulars	(₹ in Lakhs)			
	Year ended March 31, 2021		Year ended March 31, 2020	
	Increase	Decrease	Increase	Decrease
US\$ Sensitivity				
INR/US\$-increase/(decrease) by 1%-sell	146.93	(146.93)	79.86	(79.86)
INR/US\$-increase/(decrease) by 1%-Buy	-	-	-	-
EURO Sensitivity				
INR/EURO-increase/(decrease) by 1%-sell	8.40	(8.40)	8.32	(8.32)
INR/EURO-increase/(decrease) by 1%-Buy	-	-	-	-
CHF Sensitivity				
INR/EURO-increase/(decrease) by 1%-Buy	-	-	-	-

Note 42. Reconciliation between the opening & closing balances in the balance sheet for Financial liabilities

(₹ in Lakhs)					
Particulars	Note No	Opening balance as at 01 April 2020	Cash flows	Non Cash	Closing balance as at 31 st March 2021
Long term borrowings	18	3,779.43	3,387.00	(2,375.61)	4,790.82
Short term borrowings	18	16,183.46	(3,475.81)	-	12,707.65
Current Maturities of long term debts	18	1,810.00	(2,037.88)	2,415.66	2,187.78
Preference Liability	19	1,145.67	-	45.78	1,191.45
Interest Accrued on Borrowings	19	46.58	3.24	-	49.82
Lease Liability	19	593.89	(284.67)	387.96	697.18

(₹ in Lakhs)					
Particulars	Note No	Opening balance as at 01 April 2019	Cash flows	Non Cash	Closing balance as at 31 st March 2020
Long term borrowings	18	5,075.22	365.70	(1,661.49)	3,779.43
Short term borrowings	18	17,405.47	(1,222.01)	-	16,183.46
Current Maturities of long term debts	18	2,274.62	(1,636.31)	1,171.69	1,810.00
Preference Liability	19	1,199.54	-	(53.87)	1,145.67
Interest Accrued on Borrowings	19	42.28	4.29	-	46.58
Lease Liability	19	798.38	(268.70)	64.21	593.89



Notes Forming Part of the Financial Statements

Note 43: Recent Accounting Pronouncements

On March 24, 2021, the MCA through a notification, amended Schedule III of the Companies Act, 2013. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are as under and these amendments are applicable from April 1, 2021.

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of Shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development.
- Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.

Note 44 :

1 Recompense Expenses- Further, in terms of the Master Restructuring Agreement, if, in the opinion of the Lenders, the profitability and cash flows of the Company so warrant, the Lenders shall be entitled to receive recompense for the reliefs and sacrifices extended by them within the CDR Parameters, with the approval of the CDR Empowered Group. The Company has provided recompense expenses liability ₹94.00 Lakh in the financial year 2020-21 (Previous year ₹77.00 Lakh) as per best estimate subject to final determination mutually with the Company bankers. It has been included in the finance cost. Refer - Note 30

Note 45: Approval of financial statements

The financial statements for the period ended 31st March, 2021 were approved by the Board of Directors and authorise for issue on 30th April, 2021.

For **S. S. Kothari Mehta & Company**
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Neeraj Bansal
Partner
Membership No.095960
UDIN: 21095960AAAADA8379

Place: Noida (U.P.)
Date: 30th April, 2021

For **P.K. Deora & Co.**
Chartered Accountants
Firm Registration No.004167N

Sd/-
Pawan Kumar Deora
Proprietor
Membership No.083308
UDIN: 21083308AAAAAS5272

For and on behalf of the Board of Directors
MARAL OVERSEAS LIMITED

Sd/-
Shekhar Agarwal
Chairman & Managing Director & CEO
DIN: 00066113

Sd/-
Atul Kumar Jain
Chief Financial Officer
FCA- 094866

Sd/-
Shantanu Agarwal
Joint Managing Director
DIN:02314304

Sd/-
Virendra Kumar Garg
Company Secretary
FCS-7321

Notes



Notes



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL



Maral Overseas Limited

Registered Office : Maral Sarovar, V. & P.O. Khalbujurg,
Tehsil Kasrawad, Distt. Khargone - 451 660, Madhya Pradesh
Website: www.maraloverseas.com/www.Injbhilwara.com



Maral Overseas Limited

MARAL OVERSEAS LIMITED

CIN: L17124MP1989PLC008255

Regd. Office: Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone - 451 660, Madhya Pradesh

Phone: +91-07285-265401-265405 Fax: +91-07285-265406

Corporate Office: Bhilwara Towers, A-12, Sector – 1, Noida – 201 301 (U.P.)

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E-mail: maral.investor@Injhbilwara.com, Website: www.maraloverseas.com

NOTICE

NOTICE is hereby given that the **Thirty Second** Annual General Meeting (“AGM”) of the Members of Maral Overseas Limited will be held on Tuesday, the 31st August, 2021 at **2:00 P.M.** through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) without the physical presence of members at the AGM venue to transact the businesses as set out in the Notice. The venue of the Annual General Meeting shall be deemed to be Registered Office of the Company at Maral Sarovar, V. & P. O. Khalbujurg, Tehsil Kasrawad, District Khargone, Madhya Pradesh-451660. The following Ordinary and Special businesses will be transacted at the AGM:-

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended the 31st March, 2021 and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Shantanu Agarwal (DIN: 02314304) who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s K. G. Goyal & Co., Cost Accountants, (Firm Reg. No. 000017) who were appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022, be paid the remuneration of ₹ 90,000/- (Rupees Ninety Thousand Only) plus applicable taxes and out of pocket expenses that may be incurred by them during the course of audit, be and is hereby ratified.”

**By order of the Board
For Maral Overseas Limited**

Sd/-

**Virendra Kumar Garg
Company Secretary
M.No. FCS-7321**

**Place: Noida (U. P.)
Date: 30th July, 2021**

Registered Office:-

Maral Sarovar, V. & P. O.
Khalbujurg, Tehsil Kasrawad,
District Khargone, Madhya Pradesh -451660

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), relating to Special Business to be

transacted at the 32nd Annual General Meeting (“AGM”) is annexed. The matter of Special Business under item No. 3 has been considered unavoidable in nature by the Board of Directors and therefore included in the Notice of this meeting.

2. In view of the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular No. 02/2021 dated January, 13, 2021 which read with together Circular No.14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020, followed by Circular No. 20/2020 dated 5th May, 2020 as also Securities Exchange Board of India (SEBI) also issued its Circular no. No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 read with SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 (“collectively referred as Applicable Circulars”) permitting the holding of AGM by the Companies through Video Conferencing/Other Audio Visual Means (“VC/OAVM”) during the calendar year 2021, without the physical presence of the members. Accordingly, the 32nd AGM of the Company shall be conducted through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company at Maral Sarovar, V. & P.O. Khalbujurg, Tehsil Kasrawad, Distt. Khargone - 451 660, Madhya Pradesh.
3. The Company has engaged the services of National Securities Depository Limited (“NSDL”) for facilitating participation by the Members at the AGM through VC/OAVM and remote e-voting (including e-voting during the AGM). The instructions for participation by the Members and for remote e-voting including e-voting during the AGM are given separately in the subsequent paragraphs.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 25th August, 2021 to Tuesday the 31st August, 2021 (both days inclusive) for the purpose of the AGM.
5. The attendance of the Members attending/participating the 32nd AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 read with Circular No. 20/2020 dated 5th May, 2020, No.28/2020 dated August 17, 2020 and No. 02/2021 dated January 13, 2021 issued by MCA. However in case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM through e-voting.
6. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the Applicable Circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the Applicable Circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the **proxy form, attendance slip and route map of this AGM are not annexed to this notice.**



7. Institutional Investors, who are Members of the Company, are encouraged to attend the 32nd AGM through VC/OAVM facility and vote through remote e-voting facility. Institutional Investors and Corporate Members (i.e. other than individuals, HUF, NRI etc.) intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-voting are requested to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority Letter, etc., together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at services@pkacs.in, pranav@pkacs.in, with a copy marked to evoting@nsdl.co.in and maral.investor@lnjbhilwara.com.
8. In accordance with the Applicable Circulars, the VC/OAVM will have a capacity to allow at least 1000 members to participate in the AGM and such participation shall be on a first-come-first-served basis. However, please note that pursuant to the Applicable Circulars, large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. may be allowed to attend the meeting without restriction on account of first-come-first served principle.
9. In accordance with the Applicable Circular referred to in Note No.2, the Company is sending the Annual Report alongwith notice of AGM through electronic mode to those Members whose email addresses have been made available to the Depository Participants and the Company. The Notice calling the 32nd AGM of the Company and Annual Report for the year 2020-21 has been uploaded on the website of the Company at www.maraloverseas.com. The said Notice and Annual Report can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also available on the website of NSDL (agency for providing the Remote e-voting facility) i.e. www.evoting.nsdl.com.
10. The Company is pleased to provide two-way facility of video conferencing (VC) /other audio-visual means (OAVM) at the web link –<https://www.evoting.nsdl.com>. The recorded transcript of the 32nd AGM shall also be made available on the website of the Company www.maraloverseas.com, as soon as possible after the Meeting is over.
11. The SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent i.e. MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area, Phase I, New Delhi – 110 020 and/or send the documents at admin@mcsregistrars.com or mcssta@rediffmail.com. Members are requested to mention their folio number/client ID in all communications with the Company.
12. Members are requested to intimate/update changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc. (along with duly cancelled cheque leaf stating the said details) to their Depository Participant in case the shares are held by them in electronic form or to the Company's RTA in case the shares are held by them in physical form with relevant documents that may be required.
13. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area, Phase I, New Delhi-110020 E-mail: admin@mcsregistrars.com. The said form can be downloaded from the Company's website. The prescribed form in this regard may also be obtained from RTA at the address mentioned above. Members holding shares in electronic form are requested to contact their Depository Participant directly for recording their nomination.
14. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 as amended, that securities of listed companies shall be transferred only in dematerialised form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. In order to facilitate transfer of share(s) in view of the above and to avail various benefits of dematerialization, Members are advised to dematerialize share(s) held by them in physical form.
15. Documents referred to in the accompanying Notice calling the AGM are available for inspection at the website of the Company up to the date of the AGM. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, shall be available electronically for inspection by the members during the AGM upon login at NSDL e-voting system.
16. Details under Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard-2 in respect of the Directors retiring by rotation, seeking appointment and re-appointment at the 32nd Annual General Meeting, are annexed hereto as **Annexure-I** to this Notice. Requisite declarations have been received from the Directors seeking appointment/re-appointment.
17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificate will be returned to such Members after making requisite changes.
18. Non-Resident Indian members are requested to inform RTA / respective DP's immediately about:
 - a. Change in the residential status on return to India for permanent settlement.
 - b. Particulars of the bank account(s) maintained in India with complete name, branch, and account type, account number, IFSC Code and address of the bank with pin code number, if not furnished earlier.
19. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.



20. To support the 'Green Initiative', and also to receive the copies of AGM notice in case of AGM through VC/OAVM and other communication from the Company. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Registrar in case the shares are held by them in physical form.
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), Secretarial Standard 2 on General Meetings and in accordance with the Applicable Circulars referred to in Note No.2, the Company is providing facility of remote e-voting as well as e-voting during the AGM to its Members in respect of the business to be transacted at the AGM through NSDL.
22. Shri Pranav Kumar, Practicing Company Secretary (Membership No. FCS 5013) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting during the AGM in a fair and transparent manner.
23. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than forty eight hours of the conclusion of the Annual General Meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 31st August, 2021.
24. The results shall be declared along with the Scrutinizer's Report and shall be placed on the Company's website www.maraloverseas.com and on the website of NSDL <http://www.evoting.nsdl.com> immediately after the results is declared and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.
25. **Process for those Members whose email ids are not registered for procuring user id and password and registration of email ids for e-voting on the Resolutions set out in this Notice:**
- I. Those Members, who hold shares in physical form and who have not registered their email address with the Company and who wish to participate in the 32nd AGM or cast their vote through remote e-voting or through the e-voting system during the meeting, may obtain the login ID and password by sending scanned copy of:
 - a. a signed request letter mentioning your name, folio number and complete address, scanned copy of the share certificate (front and back) and
 - b. Self-attested scanned copy of the PAN Card and any document (such as Driving License, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company; to the email address of the Company maral.investor@lnjbhilwara.com.
- II. In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of:
- a. a signed request letter mentioning your name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID);
 - b. Name, self-attested scanned copy of client master or Consolidated Demat Account statement; and
 - c. Self-attested scanned copy of the PAN Card and AADHAR (self-attested scanned copy of Aadhar Card) to the email address of the Company maral.investor@lnjbhilwara.com.
- III. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- IV. Alternatively shareholders/ members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- V. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
26. **The instructions for members for remote e-voting and joining Annual General Meeting through VC/OAVM are as under:-**
- The remote e-voting period begins on Saturday, the 28th August, 2021 at 9:00 A.M. and ends on Monday, the 30th August, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the Cut-Off date i.e. Tuesday the 24th August, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-Off date, being i.e. Tuesday the 24th August, 2021.**
- How do I vote electronically using NSDL e-voting system?**
- The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:
- Step 1: Access to NSDL e-Voting system**
- A) **Login method for e-Voting and joining virtual Annual General Meeting for Individual shareholders holding securities in demat mode.**
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 40px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at: https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



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

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during



the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

27. General Guidelines for shareholders:

- I. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password? Option available on www.evoting.nsdl.com to reset the password.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for Shareholders available at the Downloads Section of www.evoting.nsdl.com or call on toll free No.: 1800-1020-990 or 1800-22-44-30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL, at evoting@nsdl.co.in.

28. The instructions for members for E-voting on the day of the AGM are as under:-

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- c. Members who have voted through Remote e-Voting will be eligible to attend the AGM through VC /OAVM. However, they will not be eligible to vote at the AGM.
- d. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- e. Members, who acquire shares of the Company after dispatch of the notice and hold shares as on the **Cut-Off Date i.e. Tuesday the 24th August, 2021** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or admin@mcsregistrars.com or mcssta@rediffmail.com. Individual Demet Account holder may follow the process mentioned in **Step-1: Access to NSDL e-voting system.**

29. Instructions for Members for participating in the 32nd AGM through VC/OAVM are as under:

- a. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see

link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

- b. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the meeting.
- c. Please note that Members connecting from mobile devices or tablets or through laptops etc. connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- d. Facility of joining the AGM through VC/OAVM shall open 15 minutes before and after the schedule time of commencement of the meeting.
- e. Members, who would like to express their views/have questions may send their questions in advance from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address maral.investor@lnjbhilwara.com at least 7 days in advance before the start of the meeting i.e. Tuesday the 24th August, 2021 by 02:00 p.m. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably. The Company reserves the right to restrict the number of questions depending on the availability of time as appropriate for smooth conduct of the AGM.
- f. Members, who would like to express their views/ask questions during the 32nd AGM, may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address maral.investor@lnjbhilwara.com at least 7 days in advance before the start of the 32nd AGM i.e. Tuesday the 24th August, 2021 by 02:00 p.m. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the 32nd AGM, depending upon the availability of time. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- g. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

By order of the Board
For Maral Overseas Limited

Sd/-

Virendra Kumar Garg
Company Secretary
M.No. FCS-7321

Place: Noida (U. P.)
Date: 30th July, 2021

Registered Office:-

Maral Sarovar, V. & P. O.
Khalbujurg, Tehsil Kasrawad,
District Khargone, Madhya Pradesh -451660



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM No. 3

The Board of Directors has on the recommendation of the Audit Committee, in its meeting held on 30th April, 2021 approved the appointment and remuneration of M/s K. G. Goyal & Co., Cost Accountants to conduct the Cost Audit of the Cost records of the Company for the financial year ending 31st March, 2022 at a remuneration of ₹ 90,000 (Rupees Ninety Thousand Only) plus applicable tax and out of pocket expenses that may be incurred by them during the course of Audit in terms of rules framed in this regard by the Ministry of Corporate Affairs.

M/s K. G. Goyal & Co., have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company for the financial year ending 31st March, 2022. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2022 by passing an Ordinary Resolution as set out at Item No. 3 of the Notice.

None of the Directors & Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested, financially or otherwise, in the said Resolution.

The Board Comments the Ordinary Resolutions setout at Item No.3 for the approval of Members.

**By order of the Board
For Maral Overseas Limited**

**Place: Noida (U. P.)
Date: 30th July, 2021**

Registered Office:-
Maral Sarovar, V. & P. O.
Khalbujurg, Tehsil Kasrawad,
District Khargone, Madhya Pradesh -451660

**Sd/-
Virendra Kumar Garg
Company Secretary
M.No. FCS:-7321**



In pursuance to Secretarial Standard on General Meeting (SS-2) and Regulation 26 (4) & 36 (3) of SEBI
(Listing Obligations and Disclosure Requirement) Regulations, 2015

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

Name of Director		Shri Shantanu Agarwal
DIN		02314304
Category of Directorship		Promoter, Joint Managing Director (Executive)
Date of Birth		16 th January, 1986
Age		35 Years
Date of Appointment on the Board		22 nd April, 2014
Relationship with Other Directors, Managers & Key Managerial Personnel.		Son of Shri Shekhar Agarwal, Chairman & Managing Director and CEO of the Company.
Qualifications		Graduate in B.S. in Electrical and Computer Engineering-from CMU, USA and MBA from Wharton School of Business (University of Pennsylvania, USA).
Expertise in specific functional areas		Industrialist with diversified business experience.
List of Other Public Companies in which Directorships held #		Bhilwara Technical Textiles Limited
Chairman / Member of the Committee of the Board of Directors of the Company		Audit Committee - Member Stakeholders' Relationship Committee- Member
Chairmanship of the Committee of the Board of Directors of the others Company		
a	Audit Committee	Nil
b	Stakeholders' Relationship Committee	Nil
Membership of the Committee of the Board of Directors of the others Company		
a	Audit Committee	Bhilwara Technical Textiles Limited
b	Stakeholders' Relationship Committee	Nil
No. of Equity Shares held in the Company		5,54,500
No. of Board meeting attended during the year		6 out of 6
Terms & Condition of appointment or re-appointment		Executive Director liable to retire by rotation
Last Remuneration Drawn		See note No. 1
Remuneration sought to be paid		See note No. 1
Justification for choosing the Independent Director		Not Applicable

#Excludes Directorships in Private Limited Companies, Foreign Companies, Membership of Management Committee of various chambers/Bodies and Section 8 Companies and LLP.

Note no.-1 The Directors are only paid sitting fee for attending meetings of Board of Directors, Independent Directors and various Committees of Board of Directors.