

34th
ANNUAL
REPORT
2019-2020



KIRAN
Syntex Limited

**CORPORATE INFORMATION****ANNUAL REPORT FOR THE YEAR 2019-20****BOARD OF DIRECTORS**

- **Maheshkumar Motiram Godiwala**
-Chairman & Managing Director
- **Ami Jigar Godiwala**
-Non Executive Director
- **Dineshkumar Dhirajbhai Patel**
-Independent Director from 20.03.2020
- **Manojkumar Dhirajbhai Patel**
-Independent Director
- **Dhirajbhai Govanbhai Patel**
-Independent Director till 03.01.2020

REGISTERED OFFICE

- 1/324 Popat Street Nanpura
Surat 395001
- Email Id:
kiransyntex@rediffmail.com
- CIN: L17110GJ1986PLC009099
- Website: www.kiransyntex.com
- Contact No.: +91 9327335302

KEY MANAGERIAL PERSONALS

- **Ami Jigar Godiwala**
-Chief Financial Officer(CFO)
- **Rajvi Ashvinkumar Sheth**
-Compliance Officer &
Company Secretary

REGISTRAR AND TRANSFER AGENT

- **Purva Share Registry India Pvt Ltd**
9, Shiv Shakti Indl. Estate,
J. R. Boricha Marg,
Opp. Kasturba Hospital,
Lower Parel (E), Mumbai 400011

AUDITORS

- **M/s Mitul Mehta & Co.**
Chartered Accountant
Office No 107-108, Jolly Plaza,
Athwa Gate, Surat 395001
Contact No. 9377780128
Email Id: ca.mmco2001@gmail.com

BANKERS

- **Union Bank of India**
Salabatpura Branch, Surat

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NOTICE

Notice is hereby given that the 34th Annual General Meeting of Members of Kiran Syntex Limited (CIN: L17110GJ1986PLC009099) will be held at Registered office of the Company at 1/324 Popat Street Nanpura, Surat 395001 on Wednesday, 30th September, 2020 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.

2. To appoint a Director in place of Smt. Ami Jigar Godiwala DIN: 03019834), who retires by rotation and being eligible, offers herself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Smt. Ami Jigar Godiwala DIN: 03019834), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS

3. To appoint a Director in place of Shri Dineshkumar Dhirajbhai Patel (DIN: 05294840), as Independent Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provision of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Shri Dineshkumar



Dhirajbhai Patel having Director Identification Number 05294840 who was appointed as an Additional Director in category of Independent Director and who holds office up to conclusion of this Annual General Meeting and being eligible, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5(five) consecutive years on the Board of the Company.

Place: Surat
Date: 29/06/2020

By Order of the Board
For Kiran Syntex Limited

Maheshkumar Motiram Godiwala
(DIN: 01779079)
Chairman and Managing Director

Notes:

1. The relative Explanatory Statements, pursuant to the Section 102 of the Companies Act, 2013, in respect of the Business under item No. 3 of the accompanying notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

In order that the appointment of a proxy is effective, the instrument appointing a proxy must be received at the registered office of the company not later than forty-eight hours before the commencement of the meeting.

3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the company carrying company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.
4. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant board resolution together with the representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
5. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.



6. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Company's registered office on all working days of the Company, during business hours up to the date of the meeting.
7. The Register of Members and Share Transfer Books of the company will be closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 both days inclusive.
8. Members are requested to send all communications relating to shares to the Registrar & Share Transfer Agent of the Company at the following address:
Purva Share Registry India Pvt. Ltd.
9, Shiv Shakti Indl. Estate, J. R. Boricha Marg,
Opp. Kasturba Hospital, Lower Parel (E), Mumbai 400011

If the shares are held in electronic form, then change of address and change in the Bank Accounts, etc. should be furnished to the respective Depository Participants (DPs).
9. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
10. **INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER:**
 - a. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended from time to time and sub clause (1) & (2) of clause 44 SEBI (LODR) Regulations, 2015, the Company is pleased to provide members' facility to exercise their right to vote at the 34th Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-voting services provided by CDSL. It may be noted that this e-voting facility is optional. In order to facilitate those Members, who do not wish to use the e-voting facility, the company is enclosing a Ballot form, resolution passed by members through e-voting or ballot forms are deemed to have been passed as if they have been passed at Annual General Meeting (AGM).
The e-voting facility will be available at the link <https://www.evotingindia.com> during the following voting period:
Commencement of e-voting: From 9.00 a.m. on Sunday, 27th September, 2020 to 5.00 p.m. on Tuesday, 29th September, 2020.
 - b. E-voting shall not be allowed beyond 5.00 p.m. on Tuesday, 29th September, 2020. During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Wednesday, 23th September, 2020 may cast their vote electronically.



- c. Members can opt for only one mode of voting i.e. either by Ballot Form or e-voting. In case members cast their votes through both modes, voting done by e-voting shall prevail and vote casted through Ballot Form shall be treated as invalid.
- d. In case a member is desirous of obtaining a duplicate Ballot Form, he/she may send an e-mail to kiransyntex@rediffmail.com by mentioning their Folio No. / DP ID and Client ID No. However the duly completed Ballot Form Should reaches the scrutinizer, Mr. Kunjal Dalal C/o Kiran Syntex Limited, 1/324 Popat Street Nanpura, Surat 395001 not later than Thursday, 24th September, 2020. Ballot Forms received after this date will be treated as invalid.
- e. The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- f. The Company has appointed Mr. Kunjal Dalal, Proprietor K. Dalal & Co., Practicing Company Secretaries, as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, 27th September, 2020 at 9.00 a.m. and ends on Tuesday, 29th September, 2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, 23th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.



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

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

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

(viii) After entering these details appropriately, click on "SUBMIT" tab.

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

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

(xi) Click on the EVSN for the relevant **Kiran Syntex Limited** on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - “m - Voting” for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board
For Kiran Syntex Limited

Place: Surat
Date: 29/06/2020

Maheshkumar Motiram Godiwala
(DIN: 01779079)
Chairman and Managing Director

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**

The following explanatory statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business at item No. 3 of the accompanying notice dated 29/06/2020.

For Item No.3

Shri Dineshkumar Dhirajbhai Patel was appointed as Additional Director of the Company with effect from 20/03/2020 in the category of Independent Director. The term of appointment made by board of directors is valid only till next Annual general meeting. It is proposed to appoint her as Independent director for a period of five years. The details of directors to be appointed including details of Shri Dineshkumar Dhirajbhai Patel is given separately along with the notice.

The Board of Directors recommended the Ordinary Resolution set out in Item no. 3 of the accompanying notice for approval by members.

None of the Directors or Key Managerial Personal and their relatives except the Appointee Director, is in any way concerned or interest in the resolution.

By Order of the Board
For Kiran Syntex Limited

Place: Surat
Date: 29/06/2020

Maheshkumar Motiram Godiwala
(DIN: 01779079)
Chairman and Managing Director



| Information in respect of appointment / re-appointment of director at Annual General Meeting Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 | | |
|--|--|---|
| Name of director | Ami Jigar Godiwala | Dineshkumar Dhirajbhai Patel |
| Age | | About 37 Years |
| Qualifications | Graduate | 10 th Standard (SSC) |
| Experience | General Administration | 2 Years |
| Nature of Expertise | General Administration | Mechanical and Technical work |
| Inter-se Relationship | Smt. Ami Jigar Godiwala is Daughter-in-law of Shri Maheshkumar Motiram Godiwala who is Managing Director of the Company. | Shri Dineshkumar Dhirajbhai Patel is Brother of Shri manoj Dhirajbhai Patel, Director of the Company. |
| Name of the listed entity in which person holds directorship and membership of committee of board | Nil | Nil |
| Shareholding of non- executive directors | 607655 Equity Shares | Nil |

By Order of the Board
For Kiran Syntex Limited

Place: Surat
Date: 29/06/2020

Maheshkumar Motiram Godiwala
(DIN: 01779079)
Chairman and Managing Director



BOARD OF DIRECTOR'S REPORT

To
The Members,
Kiran Syntex Limited

Your directors present Annual report on the business and operations of the company to gather with Audited Statement of Accounts of the company for the year ending 31st March 2020.

The particulars pursuant to sub section 3 of section 134 of the companies act, 2013 are given below.

a) Web Address , if any, where annual return referred to sub-section (3) of section 92 of the Companies Act, 2013:

The Annual return referred to sub section of section 92 of the Companies Act, 2013 has not been placed on web address, however same is attached to this report "Annexure A".

b) Number of meetings of the Board:

During the year 2019-20, 5 meetings of Board of Directors were held on 30.05.2019, 09.08.2019, 12.11.2019, 10.02.2020 & 20.03.2020.

c) Director's Responsibility Statements:

The director's state that:

- i) In the preparation of annual accounts for the financial year ended 31st March 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March and of the profit/loss of the company for that period;
- iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The director had prepared the annual accounts on a going concern basis;
- v) The director had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.



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

ca) Details of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the central government.

Auditor has not reported any fraud under sub-section (12) of section 143 of The Companies Act, 2013.

d) A Statement on Declaration given by Independent Directors under sub-section (6) of section 149.

The independent Directors have submitted declaration pursuant to Section 149(7) confirming that he meets the criteria of independence pursuant to section 149(6). The statement has been noted by Board of Directors.

e) If Company covered under sub-section (1) of section 178, company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and other matter provided under sub-section (3) of section 178.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of director and key managerial personal and their remuneration. The policy is disclosed at "Annexure B" in pursuance of provision to section 178(3) of the companies Act 2013.

The Company does not pay any remuneration to the Non-Executive/Independent Directors of the company other than sitting fees for attending the meeting of the Board/Committee. Remuneration to the Whole Time Director/Managing Director is governed by the relevant provisions of the Companies Act, 2013.

f) Explanations or comments by the board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report / by the company secretary in practice in his secretarial audit report.

The statutory auditors have not made any qualifications, reservations or adverse remarks or disclaimer in the report and no explanation or comments by the board is required.

The Secretarial Audit Report pursuant to Section 204 of the Companies Act, 2013 in prescribed Form MR-3 is attached to as "Annexure C" to this report. The Company has



taken note of Qualification, Reservation etc in the Said report and shall make arrangement for necessary compliance in future.

g) Particulars of loans, guarantees or investments under section 186 of Companies act, 2013

Company has not during the year under review (a) given any loan to any person or other body corporate (b) Given any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) Acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, Exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more and hence the particulars are not required to be included in this report.

h) Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form (Form AOC-2)

The company has not entered into transactions referred to in section 188(1) of The Companies Act, 2013 with related party and hence no as such particulars in form AOC-2 are required.

i) The state of Company's affairs

There is no Material change in the state of affairs of the company particularly nature of business being carried out.

The income of the company in the year 2018-19 income of the company was Rs. 161/- and in the year 2019-20 income of the company was Rs. 1,50,635/-.

There had been loss of Rs. 8,77,572/- in the year 2018-19 and in the year 2019-20 company had a loss of Rs.5,90,057/- .

The Company has not issued any share capital or Debentures during the year. There is no change in the status of the company or the accounting year.

j) The amount, if any, which it proposes to carry to any reserves

The Directors do not propose to carry any amount to reserves.

k) The amount, if any, which it recommends should be paid by way of dividend

The Directors do not recommend any amount to be paid by way of dividend.

l) Material Changes and commitments, if any, Affecting the Financial Position of the Company which have occurred between the Ends of the financial year of the company to which the financial statements relate and the date of the report.



There are no material changes and/or commitments affecting financial position of the Company occurred after end of financial year till date of this report.

m) The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo in such manner as may be prescribed.

Information and details pursuant to Rule 8(3) of the companies (Accounts) Rules, 2014 with respect to above is given below.

(A) CONSERVATION OF ENERGY-

- i) The steps taken or impact on conservation of energy: NIL
- ii) The steps taken by the company for utilizing alternate sources of energy: NIL
- iii) The capital investment on energy conservation equipments: NIL

(B) TECHNOLOGY ABSORPTION-

- i) The efforts made towards technology absorption: Not Applicable
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a. The details of technology imported : Not Applicable
 - b. The year of import: Not Applicable
 - c. Whether the technology been fully absorbed: Not Applicable
 - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable and
- iv) The expenditure incurred on Research and Development: NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

Foreign Exchange earned (actual inflows during the year): NIL
Foreign Exchange outgo (actual outflows): NIL

n) A statement including development and implementation of a Risk Management Policy for the company including identification therein of elements of risk, if any, which in the opinion of the board may threaten the existence of the company;

The Directors do not foresee any risk that may threaten the existence of the company in normal course. The Directors proposes to develop and implement specific Risk Management Policy on identification of any risk.



o) The details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year;

Since the net worth of the company is below Five Hundred crores, Turnover of the company is below one thousand crores, Net Profit of the company is below five crores. The provision of Section 135 of The Companies Act, 2013 is not applicable to the company and hence the company is not required undertake any corporate Social Responsibility (CSR) initiatives.

p) In case of a listed company and every other public company having such paid-up share capital as may be prescribed, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors:

Pursuant to provision of the Companies Act, 2013 the board has carried out the annual performance evaluation of its own performance as well as the evaluation of the Audit Committee and Nomination & Remuneration Committee.

The chairman of Board of directors and the chairman of Nomination & remuneration Committee met all the directors individually to get an overview of the functioning of the board and its constituents inter alia on the following board criteria i.e. attendance and level of participation, independence of judgment exercised by independent directors, interpersonal relationship etc.

Based on the valuable inputs received, the directors are encouraged for effective role in company's management.

q) Such other matters as may be prescribed.

(Pursuant to rule 8(5) of The Companies (Accounts) Rules, 2014)

i) The Financial summary or highlights

The summary of financial Results (standalone) for the year under review is as under:-

| Particulars | As on 31/03/2020 | As on 31/03/2019 |
|---|---------------------|---------------------|
| Turnover and other income | 150635.00 | 161.00 |
| Gross profit/Loss (-) before Financial Charges & depreciation | (586501.00) | (870605.00) |
| Interest and Financial Charges | 0.00 | 0.00 |
| Profit/Loss(-) before depreciation | (586501.00) | (870605.00) |
| Depreciation | 3556.00 | 6967.00 |
| Profit /Loss(-) After Tax for the year | (590057.00) | (877572.00) |

**ii) The Change in the nature of business, if any:**

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

iii) The Details of Directors or key managerial personnel who were appointed or have resigned during the year:

During the Year there are changes in directors and Key Managerial Personnel of the company, which is as under:

| Name of Director | Designation | Date of Appointment | Dater of Resignation |
|------------------------------|----------------------|----------------------------|-----------------------------|
| Dineshkumar Dhirajbhai Patel | Independent Director | 20/03/2020 | - |
| Dhirajbhai Govanbhai Patel | Independent Director | - | 03/01/2020 due to death |

iv) The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year;

No company has become or ceases to be subsidiary, joint venture or associate company.

v) The details relating to deposits, covered under Chapter V of the Act,-

(a) Accepted during the year: NIL

(b) Remained unpaid or unclaimed as at the end of the year: NIL

(c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-

(i) At the beginning of the year: Not Applicable

(ii) Maximum during the year: Not Applicable

(iii) At the end of the year: Not Applicable

vi) The details of deposits which are not in compliance with the requirements of Chapter V of the Act: NIL**vii) The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future: NIL****viii) The details in respect of adequacy of internal financial controls with reference to the Financial Statements.**



The company has in place adequate internal financial controls with reference to financial statements. Periodic audits are undertaken on continuous basis covering all major operation. During the year no Reportable Material weakness in the operation was observed.

ix) Disclosure pursuant to Clause ix of sub rule 5 of Rule 8 of the Companies Account rule, 2014

Maintenance of Cost Record has not been specified by Central Government.

x) Disclosure pursuant to Clause x of Sub rule 5 of Rule 8 of the Companies Account rule, 2014

The Company is not required to constitute Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

| ➤ Disclosures under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. | | |
|---|---|---|
| Sr. No. | Requirement under Rule 5(1) | Details |
| (i) | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year. | Not applicable, since no remuneration has been paid to any of the directors. |
| (ii) | The percentage increase in remuneration of each director, chief financial officer, Chief Executive officer, company secretary or manager, in the financial year. | Not Applicable |
| (iii) | The percentage increase in the median remuneration of employees in the financial year | No Increase |
| (iv) | Number of permanent employees on the rolls of the company as on 31 st March, 2020. | 1 |
| (v) | Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Not Applicable |
| (vi) | Affirmation that the remuneration is as per the remuneration policy of the company. | The company affirms remuneration as per the remuneration policy of the company. |



| | Requirement under Rule 5(2) | |
|--|--|--|
| | No Employee of the company has been paid Remuneration in excess of limits laid down in rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence statement showing details thereof is not applicable | |

➤ **Audit Committee:**

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. After Demises of Shri Dhirajbhai Govanbhai Patel, member of the Audit Committee, Revised composition of the Audit Committee is namely Shri Dineshkumar Dhirajbhai Patel, Shri Manojkumar Dhirajbhai Patel and Shri Maheshkumar Motiram Godiwala. Shri Manojkumar Dhirajbhai Patel is the Chairman of the Audit Committee. During the year there was no instance where the board had not accepted the Recommendation of Audit Committee.

➤ **Vigil Mechanism/Whistle Blower Policy**

Pursuant to section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Power) Rules, 2014, the Board of Director has adopted vigil mechanism in the form of Whistle Blower Policy through which, its Directors, Employees and Stakeholders can report their genuine concerns about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

It is the Company's Policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the Whistle Blower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee. The said policy provides for adequate safeguards against victimization and also direct access to the higher levels of supervisors.

Shri Manojkumar Dhirajbhai Patel, the Chairman of the Audit Committee can be contacted to report any suspected/confirmed incident of fraud/misconduct on:

Email: kiransyntex@rediffmail.com

Contact no.:0261-2478808

Your Company hereby affirms that no director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.



The Board of Directors place on records the services of all stakeholders and associates who have co-operated in the working of the Company

Place: Surat
Date: 29.06.2020

By Order of the Board
For Kiran Syntex Limited

Maheshkumar Motiram Godiwala
(DIN: 01779079)
Chairman and Managing Director



"Annexure A"

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2020

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

I. REGISTRATION AND OTHER DETAILS:

| | |
|--|---|
| i. CIN | L17110GJ1986PLC009099 |
| ii. Registration Date | 21/10/1986 |
| iii. Name of the Company | Kiran Syntex Limited |
| iv. Category / Sub-Category of the Company | Company Limited By Shares/ Indian Non-Government Company |
| v. Address of the Registered office and contact details | 1/324, Popat Street, Nanpura, Surat-395001 |
| vi. Whether listed company | Listed Company |
| vii. Name, Address and Contact details of Registrar and Transfer Agent, if any | Purva Share Registry India Pvt. Ltd. 9, Shiv Shakti Indl. Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (E), Mumbai 400011 Tel.: 022-23016761 Email address: busicomp@vsnl.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sr. No | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|--------|--|----------------------------------|------------------------------------|
| | | Nil | Nil |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/Subsidiary/ Associate | % of Shares Held | Applicable Section |
|---------|---------------------------------|---------|-------------------------------|------------------|--------------------|
| N.A | | | | | |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change During the year |
|--------------------------|---|----------|-------|-------------------|---|----------|-------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |

A. Promoters

(1) Indian



KIRAN SYNTEX LIMITED

| | | | | | | | | | | |
|---|--|----------------|-------------|----------------|--------------|----------------|-------------|----------------|--------------|-------------|
| a) | Individual/HUF | 1226556 | 0 | 1226556 | 28.86 | 1266570 | 0 | 1266570 | 29.80 | 0.94 |
| b) | Central Govt. | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| c) | State Govt(s) | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| d) | Bodies Corp. | 450700 | 0 | 450700 | 10.60 | 450700 | 0 | 450700 | 10.60 | 0 |
| e) | Banks / FI | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| f) | Any other | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| Sub-Total (A) (1): | | 1677256 | 0 | 1677256 | 39.47 | 1717270 | 0 | 1717270 | 40.41 | 0.94 |
| (2) Foreign | | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| a) | NRIs- Individual | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| b) | Other- Individuals | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| c) | Bodies Corp. | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| d) | Banks/FI | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| e) | Any Other | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| Sub-Total (A) (2): | | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| Total Shareholding of Promoters (A)= (A)(1)+(A)(2) | | 1677256 | 0 | 1677256 | 39.47 | 1717270 | 0 | 1717270 | 40.41 | 0.94 |
| B. Public Shareholding | | | | | | | | | | |
| (1) Institutions | | | | | | | | | | |
| a) | Mutual Funds | 0 | 9400 | 9400 | 0.22 | 0 | | 9400 | 0.22 | 0 |
| b) | Banks / FI | 10269 | 0 | 10269 | 0.24 | 10269 | 0 | 10269 | 0.24 | 0 |
| c) | Central Govt. | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| d) | State Govt.(s) | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| e) | Venture Capital Funds | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| f) | Insurance Companies | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| g) | FIs | 0 | | 0 | 0 | | | | | |
| h) | Foreign Venture Capital Funds | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| i) | Others (specify) | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| Sub-Total (B)(1): | | 10269 | 9400 | 19669 | 0.46 | 10269 | 9400 | 19669 | 0.46 | 0 |
| (2) Non-Institutions | | | | | | | | | | |
| a) | Bodies Corp | | | | | | | | | |
| i. | Indian | 6735 | 150000 | 156735 | 3.69 | 1035 | 150000 | 151035 | 3.55 | (0.13) |
| ii. | Overseas | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| b) | Individuals | | | | | | | | | |
| i. | Individual shareholders holding nominal share capital upto Rs. | 227188 | 688800 | 915988 | 21.55 | | 687400 | 895500 | 21.07 | (0.48) |



KIRAN SYNTEX LIMITED

| | 1 lakh | | | | | | | | | |
|--|--|--|----------------------------------|--|--------------------------------------|----------------------------------|--|---|---------------|----------|
| ii. | Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 1234030 | 29000 | 1263030 | 29.72 | 1303430 | 29000 | 1332430 | 31.35 | 1.63 |
| c) | Others(specify) | | | | | | | | | |
| | -Foreign NRI | 1600 | 0 | 1600 | 0.04 | 1600 | 0 | 1600 | 0.04 | 0 |
| | -HUF | 126497 | 0 | 126497 | 2.98 | 12649 | 0 | 12649 | 2.98 | 0 |
| | -Clearing members | 89125 | 0 | 89125 | 2.10 | 5900 | 0 | 5900 | 0.14 | (1.96) |
| Sub-Total (B) (2): | | 1685175 | 867800 | 2552975 | 60.07 | 1646561 | 866400 | 2512961 | 59.13 | 0 |
| Total Public Shareholding (B)= (B)(1)+ (B)(2) | | 1695444 | 877200 | 2572644 | 60.53 | 1656830 | 875800 | 2532630 | 59.59 | 0 |
| C. | Shares Held By Custodian For GDRs & ADRs | 0 | | 0 | | 0 | 0 | | 0 | 0 |
| Grand Total (A+B+C) | | 3372700 | 877200 | 4249900 | 100.00 | 3374100 | 875800 | 4249900 | 100.00 | 0 |
| ii) Shareholding of Promoter | | | | | | | | | | |
| Sr. No. | Shareholder's Name | Share holding at the Beginning of the year | | | Share holding at the end of the year | | | % change in share holding during the year | | |
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / Encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / Encumbered to total shares | | | |
| 1 | Godiwala Ami Jigar | 607655 | 14.30 | - | 607655 | 14.30 | - | 0 | | |
| 2 | Nancy Joy Godiwala | 555355 | 13.07 | - | 555355 | 13.07 | - | 0 | | |
| 3 | Sudershan Texprint Private Limited | 450700 | 10.60 | - | 450700 | 10.60 | - | 0 | | |
| 4 | Joy Mahesh Godiwala | 40573 | 0.95 | - | 40573 | 0.95 | - | 0 | | |
| 5 | Jigar Mahesh Godiwala | 22953 | 0.54 | - | 22953 | 0.54 | - | 0 | | |
| 6 | Pratibha Mahesh Kumar Godiwala | 10 | 0 | - | 40024 | 0.94 | - | 0.94 | | |
| 7 | Mahesh Kumar Motiram Godiwala | 10 | 0 | - | 10 | 0 | - | 0 | | |
| Total | | 1677256 | 39.47 | - | 1717270 | 40.41 | - | 0.94 | | |



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

| Sr. No. | Name of the Promoters | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 01 | Pratibha Mahesh Kumar Godiwala | | | | |
| | At the beginning of the year | 10 | 0 | 10 | 0 |
| | Increase in Shareholding dated 24/06/2019 | 40014 | 0.94 | 40024 | 0.94 |
| | At the end of the year | 40024 | 0.94 | 40024 | 0.94 |

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Jainam Share Consultants Pvt. Ltd | | | | |
| | At the beginning of the year | 83225 | 1.95 | 83225 | 1.95 |
| | Decrease in Share holding dated vide sell 28/06/2019 | -41500 | -0.98 | 41725 | 0.98 |
| | 27/09/2019 | -41725 | -0.98 | 0 | 0 |
| | At the end of the year | | 0 | | 0 |
| 2 | Chiranjiv Investment & Trading Pvt. Ltd. | | | | |
| | At the beginning of the year | 66000 | 1.55 | 66000 | 1.55 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 66000 | 1.55 | 66000 | 1.55 |
| 3 | Amit Dilipkumar Gajjar | | | | |
| | At the beginning of the year | 42200 | 0.99 | 42200 | 0.99 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 42200 | 0.99 | 42200 | 0.99 |
| 4 | Kishoresinh Gemalsinh Mahida | | | | |
| | At the beginning of the year | 42100 | 0.99 | 42100 | 0.99 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 42100 | 0.99 | 42100 | 0.99 |
| 5 | Hansaben Dineshchandra Panwala | | | | |
| | At the beginning of the year | 42055 | 0.98 | 42055 | 0.98 |
| | Date wise Increase / Decrease in Share | | 0 | | 0 |



| | | | | | |
|-----------|--|-------|------|-------|------|
| | holding during the year | | | | |
| | At the end of the year | 42055 | 0.98 | 42055 | 0.98 |
| 6 | Bhupendra Thakordas Halvawala | | | | |
| | At the beginning of the year | 42000 | 0.99 | 42000 | 0.99 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 42000 | 0.99 | 42000 | 0.99 |
| 7 | Shilaben Bhupendra Halvawala | | | | |
| | At the beginning of the year | 42000 | 0.99 | 42000 | 0.99 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 42000 | 0.99 | 42000 | 0.99 |
| 8 | Jayeshkumar Jamiyatlal Dalal | | | | |
| | At the beginning of the year | 42000 | 0.99 | 42000 | 0.99 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 42000 | 0.99 | 42000 | 0.99 |
| 9 | Bharat Iswarlal Panwala | | | | |
| | At the beginning of the year | 41900 | 0.99 | 41900 | 0.99 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 41900 | 0.99 | 41900 | 0.99 |
| 10 | Amit Bhupendrabhai Halvawala | | | | |
| | At the beginning of the year | 41900 | 0.99 | 41900 | 0.99 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 41900 | 0.99 | 41900 | 0.99 |
| 11 | Naynaben Jayeshkumar Dalal | | | | |
| | At the beginning of the year | 41900 | 0.99 | 41900 | 0.99 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 41900 | 0.99 | 41900 | 0.99 |

V) Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 01 | Maheshkumar Motiram Godiwala (Managing Director) | | | | |



| | | | | | |
|-----------|---|--------|----------|--------|----------|
| | At the beginning of the year | 10 | 0.000623 | 10 | 0.000623 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | 10 | 0.000623 | 10 | 0.000623 |
| 02 | Dhirajbhai Govanbhai Patel (cessation on 03.01.2020) | | | | |
| | At the beginning of the year | | 0 | | 0 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | | 0 | | 0 |
| 03 | Manojkumar Dhirajbhai Patel | | | | |
| | At the beginning of the year | | 0 | | 0 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | | 0 | | 0 |
| 04 | Dineshkumar Dhirajbhai Patel (Appointed with effect from 20.03.2020) | | | | |
| | At the beginning of the year | | 0 | | 0 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | | 0 | | 0 |
| 05 | Ami Jigar Godiwala (Director & Chief Financial Officer) | | | | |
| | At the beginning of the year | 607655 | 14.30 | 607655 | 14.30 |
| | Date wise Increase / Decrease in Share holding during the year | | | | |
| | At the end of the year | 607655 | 14.30 | 607655 | 14.30 |
| 05 | Rajvi Ashvinkumar Sheth (Company Secretary) | | | | |
| | At the beginning of the year | | 0 | | 0 |
| | Date wise Increase / Decrease in Share holding during the year | | 0 | | 0 |
| | At the end of the year | | 0 | | 0 |

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |



| | | | | | |
|---|------------------------------|----------|----------------|----------|----------------|
| i) | Principal Amount | 0 | 860000 | 0 | 860000 |
| ii) | Interest due but not paid | | 0 | | 0 |
| iii) | Interest accrued but not due | | 0 | | 0 |
| Total (i + ii + iii) | | 0 | 860000 | 0 | 860000 |
| Change in Indebtedness during the financial year | | | | | |
| * Addition | | 0 | 565000 | 0 | 565000 |
| * Reduction | | | 0 | | 0 |
| Net Change | | 0 | 565000 | 0 | 565000 |
| Indebtedness at the end of the financial year | | | | | |
| i) | Principal Amount | 0 | 1425000 | 0 | 1425000 |
| ii) | Interest due but not paid | | 0 | | 0 |
| iii) | Interest accrued but not due | | 0 | | 0 |
| Total (i + ii + iii) | | 0 | 1425000 | 0 | 1425000 |

VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole0time Directors and/or Manager:

| Sr. No | Particulars of Remuneration | Name of MD/WTD/ Manager | Total Amount |
|--------|---|----------------------------------|--------------|
| | | Maheshkumar Motiram Godiwala- MD | |
| 1. | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income0tax Act, 1961 | | NIL |
| | (b) Value of perquisites u/s 17(2) Income0tax Act, 1961 | | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income0 tax Act, 1961 | | NIL |
| 2. | Stock Option | | NIL |
| 3. | Sweat Equity | | NIL |
| 4. | Commission - as % of profit - others, specify... | | NIL |
| 5. | Others, please specify | | NIL |
| | Total (A) | | NIL |
| | Ceiling as per the Act | 60 Lakhs | 60Lakhs |

B. Remuneration to other directors:

| Sr. No. | Particulars of Remuneration | Name of Directors | | Total Amount |
|---------|--|----------------------------|-----------------------------|--------------|
| | | Dhirajbhai Govanbhai Patel | Manojkumar Dhirajbhai Patel | |
| | Independent Directors | | | |
| | Fee for attending board committee meetings | NIL | NIL; | NIL |
| | Commission | NIL | NIL | NIL |
| | Others, please specify | NIL | NIL | NIL |



| | | | | |
|--|--|---------------------------|-----|------------|
| | Total (1) | | NIL | NIL |
| | Other Non-Executive Directors | Ami Jigar Godiwala | | |
| | Fee for attending board committee meetings | | | NIL |
| | Commission | | | NIL |
| | Others, please specify | | | NIL |
| | Total (2) | | | NIL |
| | Total (B)=(1+2) | | | NIL |
| | Total Managerial Remuneration | | | NIL |
| | Overall Ceiling as per the Act | | | N.A. |

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

| S.N | Particulars of Remuneration | Key Managerial Personnel | | Total Amount |
|-----|---|------------------------------------|---|-----------------|
| | | Company Secretary (Rajvi Sheth) | Chief Financial Officer (Ami Godiwala) | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 120000/- | NIL | 120000/- |
| | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 | | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961 | | NIL | NIL |
| 2. | Stock Option | | NIL | NIL |
| 3. | Sweat Equity | | NIL | NIL |
| 4. | Commission | | NIL | NIL |
| 5. | Others, please specify | | NIL | NIL |
| | Total | 120000/- | NIL | 120000/- |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|---------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. Company | | | | | |
| Penalty | | NIL | NIL | NIL | NIL |
| Punishment | | NIL | NIL | NIL | NIL |
| Compounding | | NIL | NIL | NIL | NIL |
| B. Directors | | | | | |
| Penalty | | NIL | NIL | NIL | NIL |
| Punishment | | NIL | NIL | NIL | NIL |
| Compounding | | NIL | NIL | NIL | NIL |

**C. OTHER OFFICERS IN DEFAULT**

| | | | | | |
|-------------|--|-----|-----|-----|-----|
| Penalty | | NIL | NIL | NIL | NIL |
| Punishment | | NIL | NIL | NIL | NIL |
| Compounding | | NIL | NIL | NIL | NIL |

Place: Surat
Date: 29.06.2020

By Order of the Board
For Kiran Syntex Limited

Maheshkumar Motiram Godiwala
(DIN: 01779079)
Chairman and Managing Director

**"Annexure B"****DISCLOSURE OF POLICY FOR REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL
AND OTHER EMPLOYEES****(Pursuant to subsection 3 and 4 of section 178 of The Companies Act, 2013)****Remuneration Policy:**

1. Remuneration to managerial personnel will be recommended to the board by the committee and same shall be subject to approval of shareholders and/or central government where ever required.
2. Remuneration to managerial personnel shall be in accordance with the provisions of the Companies Act, 2013 and other applicable acts.
3. Increment to existing remuneration shall be as per recommendation of committee and within the limits approved by shareholders.

➤ Remuneration to Managerial Personnel:

1. The managerial personnel shall be entitled to monthly remuneration as approved by the board on recommendation of the committee and same shall be in accordance with the provision of the Companies act, 2013 and rules made there under The breakup of pay scale and quantum of perquisites and non-monetary benefits shall also be approved by board on recommendation of the committee.
2. The managerial Personnel shall also be eligible to performance linked incentives as may be determined by board.
3. The managerial personnel may also be paid commission as may be approved by shareholders.
4. The managerial personnel shall be entitled to minimum remuneration in accordance with Schedule V of the Companies Act, 2013 in event of no profit or inadequacy of profit.

➤ Remuneration to Non-executive / Independent directors:

1. The remuneration shall be in accordance with the Companies Act, 2013 and rules made there under.
2. The non-executive/independent directors may receive sitting fees for attending the meeting of board of directors and/or committee which shall be within the prescribed limit under the act. Non – executive directors shall be reimbursed travelling and incidental expense for attending the meeting.
3. Non- executive directors may also be paid commission subject to approval by the shareholders and within the limit not exceeding 1% of the profit of the company.
4. Non-executive directors shall not be entitled stock options.



"Annexure C"

Form No. MR-3
SECRETARIAL AUDIT REPORT
For The Financial year Ended on 31st March, 2020

[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
Kiran Syntex Limited
1/324 Popat Street, Nanpura, Surat 395001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kiran Syntex Limited (CIN: L17110GJ1986PLC009099)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed here under and also that the Company has proper Board-procedures and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Kiran Syntex Limited** for the financial year ended on 31st March, 2020 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):



- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- f) The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);and**
- h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws and Regulations to the Company. We report that the Company has complied with the provisions of those Acts that are applicable to Company.

As per information given to us no sector specific laws are applicable to the company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to notified Secretarial Standards;
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, *except to the extent that:*

1. *Company has not produced copies of advertisements as required under Section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 47 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015 for our verification.*
2. *The website of the Company is not updated in compliance with provision of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements),*



Regulation 2015.

3. *Company has not made timely submission of Annual Report to the stock exchange as required under regulation 34(1) SEBI (LODR) Regulations, 2015.*

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 have not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

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

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

We further report that as per the explanations given to us and the representation made by the Management and relied upon by us there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of:

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

For K. Dalal & Co.
Company Secretaries

Place: Surat

Date: 29.06.2020

Kunjal Dalal
Proprietor
FCS No. 3530 COP No. 3863
UDIN: F003530B000392875

Note: This report is to be read with our letter of even date which is annexed as '**Annexure-I**' and forms an integral part of this report.



'Annexure-I'

To,
The Members
Kiran Syntex Limited
1/324 Popat Street, Nanpura, Surat 395001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We have followed the audit practices and procedures as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the procedures and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For K. Dalal & Co.
Company Secretaries

Place: Surat

Date: 29.06.2020

Kunjali Dalal
Proprietor
FCS No. 3530 COP No. 3863
UDIN: F003530B000392875



- Disclosures pursuant to Regulation 34(3) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

A. Related Party Disclosure

| Sr. No. | In the accounts of | Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year. |
|---------|--------------------|---|
| 1 | Holding Company | <ul style="list-style-type: none"> Loans and advances in the nature of loans to subsidiaries by name and amount: NIL Loans and advances in the nature of loans to associates by name and amount: NIL Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: NIL |
| 2 | Subsidiary | Same disclosures as applicable to the parent company in the accounts of subsidiary company: NIL |
| 3 | Holding Company | Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan: NIL |

B. Management Discussion And Analysis Report:

➤ **Competitive Position:**

(a) Industry structure and developments:

For the Textiles industry, the global focus is shifting from China to India due to cost and stability factors. The government's positive steps are expected to help this shift and if foreign investments in textiles retail materialize, the consumption of the textile product in the domestic market should increase in the years to come. Recently, Government has withdrawn the requirement of export contract registration for cotton and cotton yarn and now these are in free list, without any requirement of registration, which should boost export of cotton yarn and simultaneously, the domestic market is expected to improve.

(b) Opportunities and Threats:

Opportunities:

1. Increase in consumption pattern across the country along with the rising demand for high quality premium fabrics.
2. Large and potential domestic and international market. Promising export potential.

**Threats:**

1. Pricing pressure due to opening up of quotas.
2. Enhanced competition from other countries.
3. Rising production cost from increasing wages, power and interest cost.

(c) Segment-wise or product-wise performance:

Company operates in single segment and segment wise reporting is not applicable, Product-wise performance is expected to improve.

(d) Outlook:

The Company shall continue to explore its policy of expansion based on availability of resources and opportunity.

(e) Risks and concerns:

Risk is an inherent part of any business. There are various types of risks, that threat the existence of a company like Strategic Risk, Business Risk, Finance Risk, Finance Risk, Environment Risk, Personnel risk, Operational Risk, Reputation Risk, Regulatory Risk, Technology Risk, Political Risk etc. Your company aims at enhancing and maximizing shareholders value by achieving appropriate trade-off between risk & returns.

(f) Internal control systems and their adequacy:

The company has adequate internal control systems and is in process of further strengthening the existing internal control systems. The financial statements are reviewed periodically by the management. The company has set up an internal Audit trail whereby deviations, if any, can be brought to the notice of the management quickly and remedial actions are initiated immediately.

(g) Discussion on financial performance with respect to operational performance:

| Particulars | As on 31/03/2020 | As on 31/03/2019 |
|---|---------------------|---------------------|
| Turnover and other income | 150635.00 | 161.00 |
| Gross profit/Loss (-) before Financial Charges & depreciation | (586501.00) | (870605.00) |
| Interest and Financial Charges | 0.00 | 0.00 |
| Profit/Loss(-) before depreciation | (586501.00) | (870605.00) |
| Depreciation | 3556.00 | 6967.00 |
| Profit /Loss(-) After Tax for the year | (590057.00) | (877572.00) |



(h) Material developments in Human Resources / Industrial Relations front, including number of people employed:

The industrial relations remained cordial throughout the year. The employees of the company have extended a very productive co-operation in the efforts of the management to carry the company the greater heights. Continuous training down the line is a normal feature in the company to upgrade the skills and knowledge of the employees and workmen of the company.

➤ **Disclosure of Accounting Treatment:**

Financial statements have been prepared in accordance with applicable Accounting Standards, hence Para B (2) of Schedule V of Securities and Exchange Board of India (LODR) Regulations, 2015 is not applicable to the company.

C. Corporate Governance Report: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (LODR) Regulations, 2015, the provision of Para C of Schedule V of SEBI (LODR) relating to Corporate Governance Report is not applicable to the company.

D. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (LODR) Regulations, 2015, the provision of Para D of Schedule V of SEBI (LODR) relating to Declaration by CEO is not applicable to the company.

E. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report: Pursuant to Regulation 15(2) of Securities and Exchange Board of India (LODR) Regulations, 2015, the provision of Para E of Schedule V of SEBI (LODR) relating to Compliance Certificate is not applicable to the company.

F. Disclosures with respect to demat suspense account/unclaimed suspense account:

Not Applicable

By Order of the Board
For Kiran Syntex Limited

Place: Surat

Date: 29.06.2020

Maheshkumar Motiram Godiwala
(DIN: 01779079)
Chairman and Managing Director



MITUL MEHTA & CO.
CHARTERED ACCOUNTANTS

107-108, Jolly Plaza, Athwagate Circle, Surat - 395001. # Mb. - 9377780128. # Email: - ca.mmco2001@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
KIRAN SYNTEX LTD.
Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of KIRAN SYNTEX LTD. ("the company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a



whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Emphasis of Matters

We draw attention to **Note 3.9** to the financial statement which describes (1) About the huge demands by way of duty and penalty raised by the excise department on the company. The company has challenged the said demand and penalty and has preferred an appeal before the Central Excise and Service Tax Tribunal (CESTAT) Ahmedabad & (2) About the demands by way of damages & interest raised by the Employees Provident Fund Organisation on the company. The company has challenged the said damage & interest and has preferred an appeal before the Employees Provident Fund Appellate Tribunal, Delhi.

Our opinion is not qualified in respect of this matter.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-A** a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches which is also audited by us)
 - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.[and the returns received from the branches which are prepared by us]
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 20, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:



- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 3.9 to the financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses,
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**For MITUL MEHTA &CO.
Chartered Accountants**

**Place : SURAT
Date : 29.06.2020**

**(MITUL RAJNIKANT MEHTA)
108 JOLLY PLAZA, ATHWA GATE,
SURAT – 395001 GUJARAT
121121W
UDIN: 20109580AAAAAF3099**



MITUL MEHTA & CO.
CHARTERED ACCOUNTANTS

107-108, Jolly Plaza, Athwagate Circle, Surat - 395001. # Mb. - 9377780128. # Email: - ca.mmco2001@gmail.com

ANNEXURE – A: ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of KIRAN SYNTEX LTD. for the year ended 31st March, 2020.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) These fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.
(c) There are no Immovable property owned by the company which requires the title deeds, hence not applicable.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed
3. The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
(a) There is no stipulation for payment of interest and principal amount. The amount is repayable on demand.
(b) Though the loan is outstanding since a long period however there is no stipulation for repayment, therefore same is not considered as overdue.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision in respect of section 185 and 186 of the Companies Act, 2013 regarding loans, investments, guarantees, and security.
5. The company has not accepted any deposits.
6. As informed to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- 7 (a) According to the information & explanations given to us, and as per our verification, the company is regular in depositing undisputed statutory dues



including provident fund,

Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. No undisputed statutory dues were outstanding at the end of the year for a period more than six months from the date they became payable.

- (b) According to information and explanations given to us the company has not deposited the following dues by way of demands raised by the excise Department & Provident Fund Department on account of disputes

| Name of the Statute | Nature of dues | Amount(Rs) | Period | Forum |
|---------------------|----------------------|------------|--------------|---------------------------|
| Central Excise | Excise Duty | 193918908 | 1998 to 2003 | CESTAT Appellate Tribunal |
| Central Excise | Excise Duty | 138734616 | 1998 to 2003 | CESTAT Appellate Tribunal |
| Central Excise | Excise Duty Penalty | 193918908 | 1998 to 2003 | CESTAT Appellate Tribunal |
| Central Excise | Excise Duty Penalty | 138734616 | 1998 to 2003 | CESTAT Appellate Tribunal |
| EPFO | EPF Delay & Interest | 3242903 | 1999 to 2005 | EPF Appellate Tribunal |

8. the company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. According to the information & explanations given to us, and as per our verification, the company doesn't raise any money by way of initial public offer or further public offer (including debt instruments)
10. Based upon the audit procedures performed and the information and explanations given by the management, neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. The Company has not given any Managerial remuneration during the year.
12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
13. In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting



standards;

14. According to the information & explanations given to us, , the company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company hasn't entered into any non-cash transactions with directors or persons connected with him.
16. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For MITUL MEHTA &CO.
Chartered Accountants**

**Place : SURAT
Date : 29.06.2020**

**(MITUL R. MEHTA)
Proprietor.
M.No. - 109580
107-108 Jolly Plaza, Athwagate,
Surat - 395001.
UDIN: 20109580AAAAAF3099**

**MITUL MEHTA & CO.**
CHARTERED ACCOUNTANTS

107-108, Jolly Plaza, Athwagate Circle, Surat - 395001. # Mb. - 9377780128. # Email: - ca.mmco2001@gmail.com

ANNEXURE - B TO THE AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of KIRAN SYNTEX LTD. ("The Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

**For MITUL MEHTA & CO.
Chartered Accountants**

**Place : SURAT
Date : 29.06.2020**

**(MITUL R. MEHTA)
Proprietor.
M.No. - 109580
107-108, Jolly Plaza, Athwagate, Surat-395001.
UDIN: 20109580AAAAAF3099**



KIRAN SYNTAX LIMITED

KIRAN SYNTAX LTD.
(CIN L17110GJ1986PLC009099)
BALANCE SHEET AS AT 31/03/2020

In ₹

| Particulars | Note | 31/03/2020 | 31/03/2019 |
|-------------------------------|------|---------------|---------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 2.1 | | 42364660.00 |
| Reserves and surplus | 2.2 | (18659415.00) | (18069358.00) |
| | | | 24295302.00 |
| Current liabilities | | | |
| Short-term borrowings | 2.3 | 1425000.00 | 860000.00 |
| Other current liabilities | 2.4 | 330394.00 | 1492638.00 |
| Short-term provisions | 2.5 | | 173212.00 |
| | | 1932541.00 | 2525850.00 |
| TOTAL | | | 26821152.00 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | | | |
| Tangible assets | 2.6 | | 182229.00 |
| | | | 182229.00 |
| Non-current investments | 2.7 | | 2000.00 |
| Deferred tax assets (net) | 2.8 | | 6319006.00 |
| Long-term loans and advances | 2.9 | | 14105584.00 |
| Other non-current assets | 3.0 | | 4810944.00 |
| | | | 25419763.00 |
| Current assets | | | |
| Trade receivables | 3.1 | | - |
| Cash and cash equivalents | 3.2 | 229379.00 | 167124.00 |
| Other current assets | 3.3 | 4200 | 1234265.00 |
| | | 233579.00 | 1401389.00 |
| TOTAL | | | 26821152.00 |

In terms of our attached report of even date
For MITUL MEHTA AND CO.
CHARTERED ACCOUNTANTS
FRN : 121121W

For KIRAN SYNTAX LTD.

MITUL RAJNIKANT MEHTA
(PROPRIETOR)
M. NO. : 109580
UDIN: 20109580AAAAAF3099
Place : SURAT
Date : 29.06.2020

MAHESHKUMAR M.
GODIWALA
(MANAGING
DIRECTOR)

AMI JIGAR
GODIWALA
(DIRECTOR & CFO)
(DIN : 03019834)

RAJVI A. SHETH
(COMPANY
SECRETARY)



KIRAN SYNTEX LIMITED

KIRAN SYNTEX LTD.

(CIN L17110GJ1986PLC009099)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2020

In ₹

| Particulars | Note | 31/03/2020 | 31/03/2019 |
|---------------------------------------|------|------------------|------------------|
| Other income | 3.4 | 150635.00 | 161.00 |
| Total Revenue | | 150635.00 | 161.00 |
| Expenses | | | |
| Employee benefits expense | 3.5 | 120000.00 | 120000.00 |
| Finance costs | 3.6 | - | - |
| Depreciation and amortization expense | 3.7 | | 6967.00 |
| Other expenses | 3.8 | | 75076.00 |
| Total expenses | | 740692.00 | 877733.00 |
| Profit before tax | | | (877572.00) |
| Profit/(loss) for the period | | | (877572.00) |
| Earnings per equity share: | | | |
| Basic | | - | - |
| Diluted | | - | - |

In terms of our attached report of even date
For MITUL MEHTA AND CO.
CHARTERED ACCOUNTANTS
FRN : 121121W

For KIRAN SYNTEX LTD.

MITUL RAJNIKANT MEHTA
(PROPRIETOR)
M. NO. : 109580
UDIN: 20109580AAAAAF3099
Place : SURAT
Date : 29.06.2020

MAHESHKUMAR M.
GODIWALA
(MANAGING
DIRECTOR)

AMI JIGAR
GODIWALA
(DIRECTOR & CFO)
(DIN : 03019834)

RAJVI A. SHETH
(COMPANY
SECRETARY)



KIRAN SYNTEX LTD.
(CIN L17110GJ1986PLC009099)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2020

In ₹

| Particular | | 31/03/2019 |
|--|-------------------|------------------|
| Cash Flows from Operating Activities | | |
| Net Profit Before Tax and Extra Ordinary Items | -590057.00 | -877572.00 |
| Adjustment For | | |
| Depreciation | | 6967.00 |
| Foreign Exchange | | |
| Gain or loss of Sale of Fixed assets | | |
| Gain or loss of Investment | | |
| Finance Cost | | |
| Dividend Income | | |
| Other adjustment of non cash Item | | |
| Other adjustment to reconcile Profit | | |
| Total Adjustment to Profit/Loss (A) | 3556.00 | 6967.00 |
| Adjustment For working Capital Change | | |
| Adjustment for Increase/Decrease in Inventories | | |
| Adjustment for Increase/Decrease in Trade Receivables | | |
| Adjustment for Increase/Decrease in Other Current Assets | 1230065.00 | 2965.00 |
| Adjustment for Increase/Decrease in Trade Payable | | |
| Adjustment for Increase/Decrease in other current Liabilities | -597243.00 | 808599.00 |
| Adjustment for Provisions | 3935.00 | 47215.00 |
| Total Adjustment For Working Capital (B) | | 865779.00 |
| Total Adjustment to reconcile profit (A+B) | | 865746.00 |
| Net Cash flow from (Used in) operation | 50256.00 | -11826.00 |
| Dividend Received | | |
| Interest received | -150635.00 | -161.00 |
| Interest Paid | | |
| Income Tax Paid/ Refund | | |
| Net Cash flow from (Used in) operation before Extra Ordinary Items | -100379.00 | -11987.00 |
| Proceeds from Extra Ordinary Items | | |
| Payment for Extra Ordinary Item | | |
| Net Cash flow From operating Activities | -100379.00 | -11987.00 |
| Cash Flows from Investing Activities | | |
| Proceeds From fixed Assets | | |
| Proceeds from Investment or Equity Instruments | | |
| Purchase of Fixed Assets | | |
| Purchase Of Investments or Equity Instruments | | |
| Interest received | 150635.00 | 161.00 |
| Dividend Received | | |
| Cash Receipt from Sale of Interest in Joint Venture | | |
| Cash Payment to acquire Interest in Joint Venture | | |

**KIRAN SYNTEX LIMITED**

| | | |
|--|------------------|------------------|
| Cash flow from loosing Control of subsidiaries | | |
| Cash Payment for acquiring Control of subsidiaries | | |
| Proceeds from Govt. Grant | | |
| Other Inflow/Outflow Of Cash | 11999.00 | 34045.00 |
| Net Cash flow from (Used in) in Investing Activities before Extra Ordinary Items | 162634.00 | 34206.00 |
| Proceeds from Extra Ordinary Items | | |
| Payment for Extra Ordinary Item | | |
| Net Cash flow from (Used in) in Investing Activities | 162634.00 | 34206.00 |
| Cash Flows from Financial Activities | | |
| Proceeds From Issuing Shares | | |
| Proceeds from Issuing Debenture /Bonds/Notes | | |
| Redemption of Preference Share | | |
| Redemption of Debenture | | |
| Proceeds from other Equity Instruments | | |
| Proceeds From Borrowing | | |
| Repayment Of Borrowing | | |
| Dividend Paid | | |
| Interest Paid | | |
| Income Tax Paid/Refund | | |
| Net Cash flow from (Used in) in Financial Activities before Extra Ordinary Items | | |
| Proceeds from Extra Ordinary Items | | |
| Payment for Extra Ordinary Item | | |
| Net Cash flow from (Used in) in Financial Activities | | |
| Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes | 62255.00 | 22219.00 |
| Effect of exchange rate change on cash and cash equivalents | | |
| Net increase (decrease) in cash and cash equivalents | 62255.00 | 22219.00 |
| Cash and cash equivalents at beginning of period | | 144905.00 |
| Cash and cash equivalents at end of period | 229379.00 | 167124.00 |

In terms of our attached report of even date
For MITUL MEHTA AND CO.
CHARTERED ACCOUNTANTS
FRN : 121121W

For KIRAN SYNTEX LTD.

MITUL RAJNIKANT MEHTA
(PROPRIETOR)
M. NO. : 109580
UDIN: 20109580AAAAAF3099
Place : SURAT
Date : 29.06.2020

MAHESHKUMAR M.
GODIWALA
(MANAGING
DIRECTOR)

AMI JIGAR
GODIWALA
(DIRECTOR & CFO)
(DIN : 03019834)

RAJVI A. SHETH
(COMPANY
SECRETARY)

**KIRAN SYNTEX LTD.****1. NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31.03.2020****A. CORPORATE INFORMATION:**

KIRAN SYNTEX LTD. is a public limited company engaged in Trading & Manufacturing of dyed yarn, the registered office of the company is situated at 1/324 Popat Street Nanpura, Surat-395001.

CIN: L17110GJ1986PLC009099

B. SIGNIFICANT ACCOUNTING POLICIES:**B.1 Method of Accounting:**

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAPP), in India, under historical cost convention, on accrual basis, except for some item like retirement benefits, employee's provided fund liability, disputed tax liabilities, etc. which are accounted on payment basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B.2 Inventories:

Inventories are valued at cost or net realizable value whichever is lower. The cost comprise of cost of purchase and other appropriate production overhead costs in bringing such inventories into their present location.

B.3 Cash and Cash Equivalents:

Cash comprise cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

B.4 Cash Flow Statement:

Cash flow are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

B.5 Depreciation

Depreciation is provided on tangible fixed assets on WDV method over its useful life as provided in Schedule II Part C of the Companies Act, 2013.

**B.6 Revenue Recognition:****Sale of Goods**

Sale of goods are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude value added tax.

Income from Services

Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred.

Other Income

Interest income is accounted in accrual basis. Dividend income is accounted for when the right to receive it is established.

B.7 Fixed Assets:**Tangible Fixed Assets:**

Fixed assets are stated at cost less Depreciation upto the date of balance sheet. None of the fixed assets are revalued during the year.

Capital Work-In-Progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible Assets:

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprise its purchase price, including any import duties and other taxes and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

B. 8 Foreign Currency Translations And Transactions:

Not Applicable.

B .9 Accounting of Forward Contracts:

The company has not entered into any forward contracts during the year.

B. 10 Government Grants, Subsidies and Export Incentives

Government grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants subsidy will be received. Government grants whose primary condition is that the company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

The company has not received any Government grant during the year.

**B. 11 Impairment of Assets:**

The carrying values of assets cash generating units at each balance sheet date are reviewed for impairment of assets. If any indication of such impairment exists, the recoverable amount of such assets is estimated and impairment is recognized. When there is indication that an impairment loss for an asset in prior accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized.

B. 12 Borrowing Costs:

Borrowing cost include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs to the extent not directly related to the

tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets.

B. 13 Employees Benefits:

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits. The firm has not ascertained its liability in respect of any other statutory post retirement benefits to present or past employees like Gratuity, etc. had the liability be recognized, the net profit would have been lower & provisions could have been higher. Also, in the absence of actuarial valuation or other method, the amount of such post employment benefit liability cannot be ascertained.

Defined Contribution Plans:

The company's contribution to the Provident fund and superannuation fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

Defined Benefit Plans:**Short Term Employee Benefits**

The undisclosed amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year when the employees render the service.

ESOPS:

The Company has not formulated any scheme like ESPOS.

B.17 Segment Reporting:

The Company is having only one segment i.e. Trading & Manufacturing of Yarn, hence does not require Segment Reporting.

**B.18 Leases:**

The Company has not taken any asset on lease and has also not given its any of asset on lease to other parties.

B.19 Earning Per Share:

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary item, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary item, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. In case of negative earnings, no EPS has been stated.

B.20 Taxation:

Current income tax is provided at the amount expected to be paid to the tax authorities in accordance with Indian Income tax Act, 1961.

Deferred tax reflects the tax impact of current period timing difference between taxable & accounting income & which are capable of reversal in subsequent periods and are recorded as 'Deferred Tax Assets or Deferred Tax Liabilities'. The carrying amount of deferred tax assets is reviewed at each balance sheet date for its reasonableness.

Deferred tax assets are recognized only if, there is virtual certainty that there will be sufficient future taxable income available to realize such.

The company has substantial unabsorbed carried forward losses which will be available for set off against future profit earned by the company. Taking a conservative approach no deferred tax assets has been provided during the year. Current tax has been calculated as per the prevailing tax rates on the taxable net profit of the company.

B.21 Research and Development expenses:

The Company has not incurred any Research and Development expenses which need any specific accounting treatment.

B.22 Joint Venture:

The Company has not entered into any Joint Venture with any person during the year.

B.23 Provisions and Contingencies:

A Provision is recognized when the Company has a present obligation as a result past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

B.24 Provision for Warranty:



No warranty is provided on sale of its product by the Company except the settlement of claims in the form of losses born by any particular customer on account of substandard material supplied by the Company.

B.25 Share Issue Expenses:

The Company has not incurred any share issue expenses during the year.

B.26 Insurance Claims:

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

B.27 Service Tax Input Credit:

Not Applicable

B.28 Miscellaneous Expenditure:

Pre-operative and preliminary expenses are treated as deferred revenue expenditure and are amortized over a period of five years.

B.29 Investments:

Long term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments, Current investments are carried at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

B.30 Amounts due to Micro, Small & Medium Enterprises:

The Micro, Small & Medium Enterprises Development Act, 2006 requires any company to identify the micro, small & medium suppliers & pay them interest on their dues beyond the specified period, irrespective of the terms agreed with the suppliers. The company has initiated the process of identification of such suppliers. However, in view of large numbers of suppliers & non- receipt of critical inputs and response from any such parties, the liability of interest cannot be reliably estimated nor can be made required disclosures. Accounting in this regard will be made only when reliable estimates can be made or actual claim made by the suppliers.

B.31 In the opinion of the management, current assets, loans, advances and deposits are approximately of the value stated, if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

B.32 Previous year figures are reclassified, regrouped, rearranged wherever considered necessary.

**C. ADDITIONAL INFORMATION:****C.1 Value of Imported & Indigenous Consumption of materials:**

| Particulars | Current year | | Previous year | |
|-------------|---------------|------------------|---------------|------------------|
| | Amount in Rs. | % of Consumption | Amount in Rs. | % of Consumption |
| Imported | N.A. | | N.A. | N.A. |
| Indigenous | N.A. | | N.A. | N.A. |

C.2 Value of Imports on CIF basis:

| Particulars | Current year (Rs.) | Previous year (Rs.) |
|------------------|-----------------------|------------------------|
| Raw Material | | 0 |
| Packing Material | | 0 |
| Finished Goods | | 0 |
| Capital Goods | | 0 |

C.3 Expenditure in Foreign Currencies on account of:

| Particulars | Current year (Rs.) | Previous year (Rs.) |
|--------------------|-----------------------|------------------------|
| Foreign Trav. Exp. | | 0 |
| Royalty | | 0 |
| Technical Know-how | | 0 |
| Professional Fees | | 0 |
| Interest | | 0 |
| Others | | 0 |

C.4 Earnings in Foreign Exchange:

| Particulars | Current year(Rs.) | Previous year(Rs.) |
|-------------------------------|-------------------|-----------------------|
| Exports of Goods on FOB Basis | | 0 |

C.5 Employees drawing salary more than Rs. 60,00,000/- p.a. - NIL.**C.6 RELATED PARTY TRANSACTIONS:**



a) The company has related party relation with following party/parties:-

| Nature of Relationship | Name |
|---|---|
| Relatives of key Managerial person or individual having significant influence over the Enterprise | Relatives of Directors |
| Key Managerial person or individual having significant influence over the Enterprise | Directors of the company & Firm and HUF where director are partner or Members |

b) During the year, firm has transaction with following related party/parties.

| Sr. No. | Name | Nature of Relationship | Nature of Transaction | Opening Balance | Amount during the year | Closing Balance |
|---------|------------------------------|------------------------|--------------------------------------|-----------------|------------------------|-----------------|
| 1. | Mahesh Godiwala | Managing Director | Short-term Borrowings | 8,60,000 | 565000 | 1425000 |
| 2. | Mahesh Godiwala | Managing Director | Payment of dues on behalf of the Co. | 2,83,780 | 46614 | 330394 |
| 3. | Dhiraj bhai G. Patel | Director | Payment of dues on behalf of the Co. | 12,08,858 | (1208858) | - |
| 4. | Sudarshan Texprint Pvt. Ltd. | Directorship | Loans & Advance | 1,04,12,000 | (12000) | 1,04,00,000 |

The related party has been determined on the basis of the requirements of the Accounting Standard (AS)-18 "Related Party Disclosures" issued by the ICAI and the same have been relied upon by the Auditors.

The Relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current/previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

C.7 Company operations have significantly reduced.

**2. NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2020****2.1 Share Capital:**

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|---|--------------------|--------------------|
| Authorized | | |
| 5000000 (5000000) Equity Shares with voting rights of ₹ 10/- Par Value | 50000000.00 | 50000000.00 |
| | 50000000.00 | 50000000.00 |
| Issued | | |
| 4249900(4249900) Equity Shares with voting rights of ₹ 10/- Par Value | 42499000.00 | 42499000.00 |
| | | 42499000.00 |
| Subscribed | | |
| 4249900(4249900) Equity Shares with voting rights of ₹10/- Par Value | 42499000.00 | 42499000.00 |
| | | 42499000.00 |
| Paidup | | |
| 53736(53736) Equity Shares with voting rights of ₹10/- Par Value 7.5/- Partly Paid up | | 403020.00 |
| 4196164(4196164) Equity Shares with voting rights of ₹10/- Par Value Fully Paid up | 41961640.00 | 41961640.00 |
| | | 42364660.00 |

Holding More Than 5%:

| Particulars | 31/03/2020 | | 31/03/2019 | |
|-------------------------------|-----------------|--------|-----------------|--------|
| | Number of Share | % Held | Number of Share | % Held |
| Ami Jigar Godiwala | 607655 | 14.30 | 607655 | 14.30 |
| Nancy Joy Godiwala | 555355 | 13.07 | 555355 | 13.07 |
| Sudershan Taxprints Pvt. Ltd. | 450700 | 10.60 | 450700 | 10.60 |

Reconciliation:

| Particulars | 31/03/2020 | | 31/03/2019 | |
|-----------------------------------|-----------------|-------------|-----------------|-------------|
| | Number of Share | Amount | Number of Share | Amount |
| Number of shares at the beginning | 4249900 | 42364660.00 | 4249900 | 42364660.00 |
| Add : Issue | 0 | 0.00 | 0 | 0.00 |
| Less : Bought Back | 0 | 0.00 | 0 | 0.00 |
| Others | 0 | 0.00 | 0 | 0.00 |
| Number of shares at the end | 4249900 | 42364660.00 | 4249900 | 42364660.00 |

**2.2 Reserve and Surplus**

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|--|--------------------|----------------------|
| Securities Premium Opening | | 47564660.00 |
| | 47564660.00 | 47564660.00 |
| Profit and Loss Opening | (65634018.00) | (64756446.00) |
| Amount Transferred From Statement of P&L | | (877572.00) |
| | | (65634018.00) |
| | | (18069358.00) |

2.3 Short Term Borrowings

In ₹

| Particulars | | 31/03/2019 |
|---|-------------------|------------------|
| Loans and advances from related parties | | |
| Unsecured | | |
| Director | | |
| Mahesh M. Godiwala | 1425000.00 | 860000.00 |
| | 1425000.00 | 860000.00 |

2.4 Other Current Liabilities

In ₹

| Particulars | | 31/03/2019 |
|---------------------------|------------------|-------------------|
| Other payables | | |
| Other Current Liabilities | | |
| Dhirajlalbhai G. Patel | 0.00 | 1208858.00 |
| Mahesh M. Godiwala | | 283780.00 |
| | 330394.00 | 1492638.00 |

2.5 Short Term Provisions

In ₹

| Particulars | | 31/03/2019 |
|---|------------------|------------------|
| Others | | |
| Kunjal Dalal | | 20000.00 |
| Mahesh C Modhiya | 6943.00 | 16943.00 |
| Nilam B. Shah | | 15000.00 |
| Purva Shareregistry (I) Pvt Ltd. | 79142.00 | 52678.00 |
| Willingdon & Associates | | 6000.00 |
| TDS Payable | 3062.00 | 15591.00 |
| Statutory Audit & Professional Fees Payable | | 17000.00 |
| Salary Exp. Payable | 30000.00 | 30000.00 |
| | 177147.00 | 173212.00 |



2.6 Tangible assets

In ₹

| Particulars | Gross | | | | Depreciation | | | | | Impairment | | | | Net | |
|---------------------|----------------|--------------|---------------|----------------|----------------|------------------|---------------|-------------------|----------------|-----------------|--------------------------|------------------|-------------|---------------|---------------|
| | Opening | Additio n | Deduct ion | Closing | Opening | During Period | Deducti on | Oth er Adj. | Closing | Ope nin g | Dur ing Peri od | Rev ers al | Clos ing | Closing | Openin g |
| Equipments | | | | | | | | | | | | | | | |
| Computer Equipments | | | | | | | | | | | | | | | |
| COMPUTER | | | | 111949 | 111114 | | | | 111114 | 835 | | | 835 | | |
| Total | 111949 | | | 111949 | | | | | 111114 | | | | 835 | | |
| Other Equipments | | | | | | | | | | | | | | | |
| A.C. | | | | 90000 | 73442 | 2865 | | | 76307 | | | | | 13693 | 16558 |
| Total | | | | 90000 | 73442 | 2865 | | | 76307 | | | | | | 16558 |
| Vehicles | | | | | | | | | | | | | | | |
| Motor Vehicles | | | | | | | | | | | | | | | |
| MOTOR CAR | 3288438 | | | | 3122767 | 691 | | | 3123458 | | | | | 164980 | 165671 |
| Total | 3288438 | | | 3288438 | 3122767 | 691 | | | 3123458 | | | | | 164980 | 165671 |
| Grand Total | 3490387 | | | 3490387 | 3307323 | 3556 | 0 | 0 | 3310879 | 835 | | | 835 | | 182229 |
| Previous | 3490387 | | | 3490387 | 3301191 | 6132 | 0 | 0 | 3307323 | 0 | 835 | 0 | 835 | | 182198 |

2.7 Non-current investments

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|---|----------------|----------------|
| Investments in Equity Instruments NonTrade, Unquoted 20 (31/03/2019 - 20) Equity Shares of ₹ 100 Each Fully Paidup in Surat Art Silk Producers Co-Op. Society Ltd. | | 2000.00 |
| | 2000.00 | 2000.00 |

2.8 Deferred Taxes

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|------------------------------|-------------------|-------------------|
| Deferred Tax Assets Other | 6319006.00 | 6319006.00 |
| | 6319006.00 | 6319006.00 |

2.9 Long-term loans and advances

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|---------------------------------------|------------|-------------|
| Loans and advances to related parties | 10400000 | 10412000.00 |

**KIRAN SYNTEX LIMITED**

| | | |
|-------------------------------------|--------------------|--------------------|
| Loans and advances to others | | |
| Unsecured, considered good | | |
| VAT Credit Receivable | | 248565.00 |
| Deposits with EPFO | 3276947.00 | 3276947.00 |
| TDS Receivables | 168072.00 | 168072.00 |
| | 14093584.00 | 14105584.00 |

3.0 Other non-current assets

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|-----------------------------------|-------------------|-------------------|
| Trade Receivable | | |
| Unsecured, Considered Good | | |
| Exceeding Six Months | | |
| V.J. Synthetics | | 4810944.00 |
| | 4810944.00 | 4810944.00 |

3.1 Trade receivables

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|----------------------------------|-------------|-------------|
| Trade Receivable | | |
| Unsecured considered good | | |
| | 0.00 | 0.00 |

3.2 Cash and cash equivalents

In ₹

| Particulars | | 31/03/2019 |
|-------------------------------------|-----------|------------------|
| Cash in Hand | 116297.00 | 116562.00 |
| Balances With Banks | | |
| Balance With Scheduled Banks | | |
| Current Account | 113082.00 | 50562.00 |
| | | 167324.00 |

3.3 Other current assets

In ₹

| Particulars | | 31/03/2019 |
|----------------------------|----------------|-------------------|
| Manish Kumar M Patel | | 4200.00 |
| Excise Pre-Deposit Account | 0.00 | 1208858.00 |
| Excess Payment to BSE | 0.00 | 21207.00 |
| | 4200.00 | 1234265.00 |

3.4 Other income

In ₹

| Particulars | | 31/03/2019 |
|-------------|------------------|---------------|
| Interest | 150635.00 | 161.00 |
| | 150635.00 | 161.00 |



3.5 Employee benefits expense

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|-----------------------|------------------|------------------|
| Salary, Wages & Bonus | 120000.00 | 120000.00 |
| | 120000.00 | 120000.00 |

3.6 Finance costs

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|-------------|------------|------------|
| | | 0.00 |

3.7 Depreciation and amortization expense

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|--|----------------|----------------|
| Depreciation & Amortization | | |
| Depreciation Tangible Assets | 3556.00 | 6132.00 |
| Impairment & Write down of Assets | | |
| Impairment on tangible Fixed Assets | 0.00 | 835.00 |
| | 3556.00 | 6967.00 |

3.8 Other expenses

In ₹

| Particulars | 31/03/2020 | 31/03/2019 |
|--|------------|-----------------|
| Administrative and General Expenses | | |
| Telephone Postage | | |
| Telephone Expenses | 183.00 | 1650.00 |
| Postage Expenses | 82.00 | 95.00 |
| Auditors Remuneration | | |
| Audit Fees | | 17000.00 |
| Legal and Professional Charges | | 53591.00 |
| Other Administrative and General Expenses | | |
| Bank Charges | 30.00 | 1142.00 |
| TDS Interest | 1413.00 | 15472.00 |
| SEBI PENALTY | 0.00 | 150000.00 |
| Selling Distribution Expenses | | |
| Advertising Promotional Expenses | 25200.00 | 29497.00 |
| Other expenses | 1080.00 | 0.00 |
| | | 73076.00 |

3.9 Contingent Liabilities:

| Particulars |
|---|
| 1) The excise department has raised demand of Rs. 1939.19 lacs and Rs. 1387.35 lacs on the company for the period from 1998 to 2003 and has also imposed penalty of equal amount. The company has disputed the said demand in Tribunal and in the opinion of the management the liability will be deleted. The management has not proposed any provision in the books for said demand raised by the |



excise department.

- 2) The Employees Provident Fund Organization has raised demand of Rs. 65.54 lacs on the company for the period 1999 to 2005. The company has disputed the said amount in the tribunal and in the opinion of the management the liability will be deleted. The management has not proposed any provision in the books for the said amount raised by the EPF department.

In terms of our attached report of even date
For MITUL MEHTA AND CO.
CHARTERED ACCOUNTANTS
FRN : 121121W

For KIRAN SYNTEX LTD.

MITUL RAJNIKANT MEHTA
(PROPRIETOR)
M. NO. : 109580
UDIN: 20109580AAAAAF3099
Place : SURAT
Date : 29.06.2020

MAHESHKUMAR M.
GODIWALA
(MANAGING
DIRECTOR)

AMI JIGAR
GODIWALA
(DIRECTOR & CFO)
(DIN : 03019834)

RAJVI A. SHETH
(COMPANY
SECRETARY)



KIRAN SYNTEX LIMITED

**Red KIRAN Syntex Limited**

Registered Office: 1/324 Popat Street, Nanpura Surat 395001
 Email: kiransyntex@rediffmail.com CIN : L17110GJ1986PLC009099

Form No. MGT-11**Proxy form**

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

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

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

1. Name :

Address :

E-mail Id :

Signature

Or failing him

2. Name :

Address :

E-mail Id :

Signature

Or failing him

3. Name :

Address :

E-mail Id :

Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on the Wednesday, 30th September, 2020 at 11.00 a.m. at 1/324 Popat Street, Nanpura, Surat 395001 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Resolution | For | Against |
|---------|--|-----|---------|
| | Ordinary Business:- | | |
| 1 | Adoption of Audited Financial Statements for the year 31 st March, 2020. | | |
| 2 | Re-appointment of Smt. Ami Jigar Godiwala as Director of the company. | | |
| 3 | Appointment of Shri Dineshkumar Dhirajbhai Patel as Independent Director of the company. | | |

Signed this day of2020

Signature of Shareholder

Affix Revenue Stamp

Signature of Proxy holder(s)

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



KIRAN SYNTEX LIMITED



Red KIRAN Syntex Limited

Registered Office: 1/324 Popat Street, Nanpura Surat 395001
Email: kiransyntex@rediffmail.com CIN : L17110GJ1986PLC009099

**Form No. MGT-12
Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

BALLOT PAPER

| Sr. No. | Particulars | Details |
|---------|---|---------|
| 1. | Name of the First Named Shareholder (In Block Letters) | |
| 2. | Postal Address | |
| 3. | Registered Folio No. / *Client ID No. * (Applicable to investors holding shares in dematerialized form) | |
| 4. | Class of Share | |

I hereby exercise my vote in respect of Ordinary/ ~~Special~~ resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

| No. | Item No. | No. of Shares held by me | I assent to the Resolution | I dissent from the resolution |
|-----|--|-----------------------------|-------------------------------|----------------------------------|
| 1. | Adoption of Audited Financial Statements for the year 31 st March, 2020. | | | |
| 2. | Re-appointment of Smt. Ami Jigar Godiwala as Director of the company. | | | |
| 3. | Appointment of Shri Dineshkumar Dhirajbhai Patel as Independent Director of the company. | | | |

Place:

Date:

Signature of Shareholder



KIRAN SYNTEX LIMITED



Red KIRAN Syntex Limited

Registered Office 1/324 Popat Street, Nanpura Surat 395001
Email: kiransyntex@rediffmail.com CIN : L17110GJ1986PLC009099

ATTENDANCE SLIP

**To be handed over at the entrance of the Meeting Hall of
34th Annual General Meeting**

| | |
|-------------------------------------|--|
| Folio No./ DP ID/Client ID No. : | |
| Number of shares held: | |
| Name of the attending Member/Proxy: | |

I hereby record my presence at the 34th Annual General Meeting of **Kiran Syntex Limited** held on Wednesday, 30th September, 2020 at 11.00 a.m. at 1/324 Popat Street, Nanpura, Surat 395001

Member's/Proxy's Signature
(To be signed at the time of handing over the slip)

Route map of the Venue of the Annual General Meeting





If undelivered, please return to :

KIRAN Syntex Limited

Regd. Office : 1/324, Popat Street

Nanpura, Surat-3950001, Gujarat, India.