

# 29TH ANNUAL REPORT 2018-2019



*Furnishings...  
Simply incredible!*

  
**vijay**  
TEXTILES LTD.

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**Shri Vijay Kumar Gupta**

Chairman and Managing Director

**Shri Susheel Kumar Gupta**

Whole-time Director and Chief Financial Officer

**Shri.M. Srikanth Reddy**

Independent Director

**Smt. C.A. Alka Zanwar**

Independent Director

**Shri C.A. Penmetsa Vikram**

Independent Director

**\*\*Shri CA. Pankaj Kumar Trivedi**

Independent Director

**\*Shri R. Malhotra**

Finance director and CFO

**\*Resigned w.e.f 23.07.2018**

**\*\*Appointed w.e.f 26.03.2019**

**Company Secretary**

Shri S. Nagarajan

**Statutory Auditors**

M/s. Laxminiwas & Co.,  
Chartered Accountants

6-3-569, 4<sup>th</sup> Floor, Opp: RTA Office,  
Khairatabad, HYDERABAD – 500 082.

**Internal Auditors**

M/s. Sankaran & Krishnan,  
Chartered Accountants, Plot No: 80,  
Devi Residency, Flat No:302, Telecom  
Nagar, Gachibowli, Hyderabad-500 032.

**Secretarial Auditor**

S.S.Reddy & Associates  
Practicing Company Secretaries  
Plot No. 8-2-603/23/3 & 8-2-603/23/15  
2<sup>nd</sup> Floor, HSR Summit Banjara Hills,  
Road No 10 Beside No 1 News Channel  
Office , Hyderabad – 500 034.

**Bankers:**

**State Bank of India**

Industrial Finance Branch, Somajiguda,  
HYDERABAD-500 082

**Axis Bank Limited**

Begumpet. Hyderabad-500 016

**Registrar & Share Transfer Agents**

Aarathi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad-500 029.

**Registered Office**

Surya Towers, Ground Floor, 104,  
Sardar Patel Road, Secunderabad – 500 003  
CIN: L18100TG1990PLC010973  
Email :info@vijaytextiles.in

**AUDIT COMMITTEE**

Mr. M. Srikanth Reddy  
Mr. CA Penmetsa Vikram  
Mrs. C.A Alka Zanwar  
Shri CA. Pankaj Kumar Trivedi

**NOMINATION & REMUNERATION COMMITTEE**

Mr. M. Srikanth Reddy  
Mr. C.A Penmetsa Vikram  
Mrs. C.A Alka Zanwar  
Shri CA. Pankaj Kumar Trivedi

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. M. Srikanth Reddy  
Mr. C.A Penmetsa Vikram  
Mrs. C.A Alka Zanwar  
Shri CA. Pankaj Kumar Trivedi

**INDEPENDENT DIRECTORS COMMITTEE:**

Mr. M. Srikanth Reddy  
Mr. C.A Penmetsa Vikram  
Mrs. C.A Alka Zanwar  
Shri CA. Pankaj Kumar Trivedi

**RISK MANAGEMENT COMMITTEE:**

Mr. Vijay Kumar Gupta  
Mr. M. Srikanth Reddy  
Mr. C.A Penmetsa Vikram  
Mrs. C.A Alka Zanwar

**LISTED AT :** BSE Limited

**ISIN :** INE256G01033

**WEBSITE:** www.vijaytextiles.in

**INVESTOR**

**E-MAIL ID:** info@vijaytextiles.in

**Factory:**

Survey No: 139 to 141 & 143  
Village: Rajapoor, Mandal: Rajapoor,  
District: Mahaboobnagar  
Telangana - 509 202

**Wholesale Depot:**

Plot No: 46, Road No: 12  
APIIC, Katedan, Hyderabad - 500 077

**Retail Show Rooms:**

1. Surya Towers, Ground Floor,  
104, Sardar Patel Road  
Secunderabad - 500 003
2. D. No. 6-3-852/3,  
Near Lal Bungalow, Ameerpet,  
Hyderabad - 500 016
3. D. No. 2-22-306/A/2, Plot No: 6 &  
7, Survey No: 178 & 179,  
Bhagyanagar Colony, Phase-II,  
Kukatpally, Hyderabad - 500 072
4. D. No. 23-27/A, Survey No.127 &  
130/1, Kothapet, Dilsukhnagar,  
Hyderabad - 500 060
5. D. No. 19-94/1, Survey No: 466,  
Housing Colony, A.S.Rao Nagar,  
Secunderabad - 500 062

**NOTICE** is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of **VIJAY TEXTILES LIMITED** will be held on Friday, the **27<sup>th</sup> day of September, 2019 at 10:15 A.M.** at FTCCI Surana Auditorium, The Federation of Telangana Chambers of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500 004 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2019 and the Statement of Profit and Loss for the year ended as on that date along with Cash Flow Statement and notes appended thereto together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in the place of Shri Susheel Kumar Gupta (DIN: 00362714), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

**3. APPOINTMENT AND PAYMENT OF REMUNERATION TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2019-2020:**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), consent of the Members be and is hereby accorded for appointment of M/s Nageswara Rao & Co, (Registration No.000332) Cost Accountants to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2020 on a remuneration of ` 35,000/- (Rupees Thirty Five Thousand Only) plus out of pocket expenses and applicable taxes."

"RESOLVED FURTHER THAT the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above Resolution including filing of all such necessary documents as may be required in this regard."

**4. CONTINUATION OF SHRI. VIJAY KUMAR GUPTA AS CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY:**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, approval of the Members of the Company be and is hereby granted for continuation of holding of office by Shri Vijay Kumar Gupta Chairman and Managing director who will be attaining the age of 70 (Seventy) years on 3<sup>rd</sup> February, 2020 up to the expiry of his present term of office, on the existing terms and conditions."

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the Resolution."

**5. RE-APPOINTMENT OF SHRI. VIJAY KUMAR GUPTA AS CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY:**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to reappoint Shri. Vijay Kumar Gupta, (DIN: 01050958) Chairman and Managing Director of the Company for a period of three years with effect from 01.04.2019 to 31.03.2022 at a present remuneration of ` 3,50,000/-per month and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time.”

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Shri. Vijay Kumar Gupta, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the Resolution.”

**6. PAYMENT OF REMUNERATION TO SHRI. SUSHEEL KUMAR GUPTA AS WHOLETIME DIRECTOR AND CFO OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s), the following

Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 197 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to pay remuneration of ` 3,50,000/- per month to Shri. Susheel Kumar Gupta, (DIN: 00362714), Whole-time Director & CFO of the Company for the remaining period of his tenure i.e., 01.04.2019 to 31.03.2021 and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time.”

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Shri. Susheel Kumar Gupta, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the Resolution.”

**7. APPOINTMENT OF SHRI. CA PANKAJ KUMAR TRIVEDI AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 of the Companies Act, 2013 and rules made there under, Shri CA Pankaj Kumar Trivedi (holding DIN 08397137), who was appointed as ‘Additional Director’ in the category of non-executive independent director in the Board of the Company on 26th March, 2019 pursuant to the provision of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri CA Pankaj Kumar Trivedi as a candidate for the office of a Director of the Company who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from the date of his appointment as Additional Director i.e. 26.03.2019 up to 25.03.2024.”

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the Resolution.”

**8. RE-APPOINTMENT OF SHRI. SRIKANTH REDDY MUPPIDI AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149,150,152,160 and Schedule IV

and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, Articles of Association of the Company, and pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors, the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri. Srikanth Reddy Muppidi (DIN 00026249) whose current period of office expires on 29<sup>th</sup> September, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and whose term shall not be subject to retirement by rotation, to hold office for a term of 5 (five) consecutive years on the Board of the Company w.e.f. 30<sup>th</sup> September, 2019 up to 29<sup>th</sup> September, 2024.”

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to approve the terms and conditions including any changes in remuneration and to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to the Resolution.”

Place: Secunderabad  
Date: 24.07.2019

Sd/-  
S Nagarajan  
Company Secretary

Registered Office:  
Surya Towers, Ground Floor,  
104, Sardar Patel Road,  
Secunderabad – 500 003

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21.09.2019 to 27.09.2019 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. Recent circular requires submission of Aadhar/PAN number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card/PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their Aadhar card/PAN details to the Company/ Registrar and Share Transfer Agents (Aarthi Consultants Pvt Limited)
11. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
12. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to Aarthi Consultants Pvt Limited., Share Transfer Agents of the Company for their doing the needful.
13. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.

14. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the Company and correspond with them directly regarding share transfer/transmission/transposition, Demat/Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
15. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the Company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
16. Electronic copy of the Annual Report for 2018-2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-2019 is being sent in the permitted mode.
17. Members may also note that the Notice of the 29<sup>th</sup> Annual General Meeting and the Annual Report for 2018-2019 will also be available on the Company's website [www.vijaytextiles.in](http://www.vijaytextiles.in)

for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [info@vijaytextiles.in](mailto:info@vijaytextiles.in).

**Voting through Electronic Means (E-Voting Facility)**

Pursuant to the provisions of Section 108 of the Act read with the rules there under and Regulation 44 of SEBI LODR Regulations, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 29<sup>th</sup> Annual General Meeting scheduled to be held on Friday, the 27<sup>th</sup> day of September, 2019 FTCCI Surana Auditorium, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500 004, Telangana.

The Company has engaged the services of Central Depository Services (India) Limited "CDSL" as the Authorized Agency to provide e-voting facilities. The e-voting particulars are set out below:

EVENT (e-voting event number)	USER ID	PASSWORD/ PIN

The e-voting facility will be available during the following voting period:

Commencement of e-voting: From 24.09.2019 at 9. 00 A.M.

End of e-voting: Up to 26.09.2019 at 5. 00 P.M.

The cut-off date (i.e. the record date) for the purpose of e-voting is 20.09.2019.

Please read the procedure and instructions for e-voting given below before exercising the vote.

This communication forms an integral part of the Notice dated 24.07.2019 for the AGM scheduled to be held on 27.09.2019 which is enclosed herewith and is also made available on the website of the Company [www.vijaytextiles.in](http://www.vijaytextiles.in). Attention is invited to the statement on the accompanying Notice that the Company is pleased to provide e-voting facility through CDSL for all shareholders of the Company to enable them to cast their votes electronically on the Resolution mentioned in the Notice of the 29<sup>th</sup> Annual General Meeting of the Company.



**Procedure and instructions for e-voting**

- (i) The E-voting period begins on 24.09.2019 (9.00 A.M) and ends on 26.09.2019 (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 20.09.2019 of 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](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>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).</li> </ul>

- (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 <VIJAY TEXTILES LIMITED>
- (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 cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (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](http://www.evotingindia.com), under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 2. OTHER INSTRUCTIONS:**
- (i). Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form and not casting their vote electronically, may cast their vote at the Annual General Meeting.
- (ii) The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut-off date i.e. 20.09.2019.
- (iv) The Company has appointed M/s. S. S. Reddy & Associates, Practicing Company Secretaries, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

- (v) The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast though remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him.
- (vi) Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
- (vii) If a Member casts votes by both modes, then voting done through e-voting shall prevail.
- (viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.vijaytextiles.in](http://www.vijaytextiles.in) and on the website of CDSL and will be communicated to the BSE Limited.
19. In terms of Companies Act, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF).
21. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
22. Relevant documents referred to in the accompanying Notice, as well as Annual Report are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.
23. SEBI has notified vide Notification No. SEBI/LAD-NRO/GN/2018/24 that securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
24. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated 21<sup>st</sup> April and 29<sup>th</sup> April 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

By Order of the Board  
For Vijay Textiles Limited

Sd/-  
S. Nagarajan  
Company Secretary

Place: Secunderabad  
Date: 24.07.2019

Registered Office:  
Surya Towers, Ground Floor,  
104, Sardar Patel Road,  
Secunderabad – 500 003.

**EXPLANATORY STATEMENT  
Pursuant to Section 102(1) of the Companies Act, 2013**

**ITEM NO 3:**

**APPOINTMENT AND PAYMENT OF REMUNERATION TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2019-2020:**

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s. Nageswara Rao & Co (Registration No.000332), Cost Accountants as Cost Auditors of the Company for the financial year ending 31<sup>st</sup> March, 2020 to conduct the audit of cost records and fixed their remuneration at ₹. 35,000/- (Rupees thirty five thousand only) plus out of pocket expenses and applicable taxes etc.

As per the provisions of Section 148 of the Act read with the Companies Act, 2013 and as per the Rule 14 of Companies (Audit and Auditors) Rules, 2014, the appointment and remuneration payable to the Cost Auditors has to be approved by the shareholders of the Company.

Accordingly the Board of Directors recommends the passing of the above Resolution as an Ordinary Resolution set out in the item no. 3 of the notice for appointment and remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2020.

None of the Directors/ Key Managerial Personnel and their relatives of the Company is, in any way, concerned or interested, financially or otherwise, in the Resolution.

**ITEM NO 4:**

**CONTINUATION OF SHRI. VIJAY KUMAR GUPTA AS CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY:**

Shri Vijay Kumar Gupta, Chairman and Managing Director will be attaining the age of 70 years on 3<sup>rd</sup> February 2020. The Company seeks consent of the members by way of special Resolution for continuation as Chairman and Managing Director even after attaining the age of 70 years during his tenure of Office under the provisions of Section 196 (3) (a) of the Companies Act, 2013.

Accordingly the Board of Directors recommends the passing of the above Resolution as Special Resolution set out in the item no. 4 of the notice for continuation of Shri. Vijay Kumar Gupta.

Save and except Shri. Vijay Kumar Gupta Chairman and Managing Director and Shri Susheel Kumar Gupta, Whole-time Director and CFO being his relative, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

**ITEM NO 5:**

**RE-APPOINTMENT OF SHRI. VIJAY KUMAR GUPTA AS CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY:**

Shri. Vijay Kumar Gupta (DIN: 01050958) was appointed as Chairman and Managing Director of the Company for a period of 5 years from 1st April 2014 to 31st March 2019 at the 24th Annual General Meeting held on 30th September 2014.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 26.03.2019, approved the re-appointment of Shri. Vijay Kumar Gupta (DIN: 01050958) as Chairman and Managing Director of the Company for a term of three years commencing from 01.04.2019 to 31.03.2022 at a present remuneration of ₹ 3,50,000 per month.

Accordingly the Board of Directors recommends the passing of the above Resolution as an Ordinary Resolution set out in the item no. 5 of the notice for reappointment of Shri. Vijay Kumar Gupta.

Save and except Shri. Vijay Kumar Gupta Chairman and Managing Director, being an appointee and Shri Susheel Kumar Gupta, WholeTime Director and CFO being his relative, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

**Information in accordance with Schedule V of Companies Act, 2013**

**I. GENERAL INFORMATION**

- 1 Nature of Industry : Textile Industry
- 2 Date or expected date of commencement of commercial: The Company started its commercial operations on 02.02.1990
- 3 In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable
- 4 Financial performance based on given indications

Particulars	2018-19 (` in lakhs )	2017-18 (` in lakhs)	2016-17 (` in lakhs)
Turnover	9185.34	10730.17	11596.24
Net profit after Tax	301.48	802.57	457.03

- 5 Foreign investments or collaborations, if any: Not Applicable

**II. INFORMATION ABOUT THE APPOINTEE:**

1. Background Details: Joined with his father in textile business at a very young age and has now got a core experience of around 54 years in the industry. He has a strong business acumen and is the mainstay of the Company in bringing it to its present stature.
2. Past Remuneration: The remuneration drawn by Shri. Vijay Kumar Gupta, Chairman and Managing Director is ` 3,50,000/- per month at present.
3. Recognition or awards : Nil
4. Job Profile and his suitability:  
Keeping the past record of Shri. Vijay Kumar Gupta in mind and his contribution towards the Company, it is proposed to re-appoint him as Chairman and Managing Director of the Company.
5. Remuneration proposed:  
As set out in the Resolutions for the item No.5 the remuneration to Shri. Vijay Kumar Gupta, Chairman and Managing Director has the approval of the Nomination and Remuneration Committee and Board of Directors, is within the limits specified under Schedule V of Companies Act.
6. Comparative remuneration profile with respect to industry, size of the Company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

Taking into consideration of the size of the Company, the profile of Shri. Vijay Kumar Gupta and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration, he is holding 59,48,016 Equity Shares of the Company.

**ITEM NO: 6**

**PAYMENT OF REMUNERATION TO SHRI. SUSHEEL KUMAR GUPTA AS WHOLETIME DIRECTOR AND CFO OF THE COMPANY:**

Shri. Susheel Kumar Gupta (DIN: 00362714) was appointed as whole-time Director of the Company for a period of 5 years from 1st April, 2016 to 31st March, 2021 at the 26th Annual General Meeting held on 29th September 2016.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 26.03.2019, approved the payment of remuneration ` 3,50,000/- per month to Shri. Susheel Kumar Gupta Whole-time director and CFO of the Company for the remaining period of his tenure i.e., 01.04.2019 to 31.03.2021.

Accordingly the Board of Directors recommends the passing of the above Resolution as an Ordinary Resolution set out in the item no. 6 of the notice for payment of remuneration to Shri. Susheel Kumar Gupta.

Save and except Shri. Vijay Kumar Gupta Chairman and Managing Director and Shri Susheel Kumar Gupta, Whole Time Director and CFO being relative, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

**Information in accordance with Schedule V of Companies Act, 2013**

**I. GENERAL INFORMATION**

- 1 Nature of Industry : Textile Industry
- 2 Date or expected date of commencement of commercial: The Company started its commercial operations on 02.02.1990
- 3 In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable
- 4 Financial performance based on given indications

Particulars	2018-19 (` in lakhs )	2017-18 (` in lakhs)	2016-17 (` in lakhs)
Turnover	9185.34	10730.17	11596.24
Net profit after Tax	301.48	802.57	457.03

- 5 Foreign investments or collaborations, if any: Not Applicable

**II. INFORMATION ABOUT THE APPOINTEE:**

1. Background Details: Joined with his father in textile business and has now got a core experience of around 28 years in the industry. He has a strong business acumen and is the mainstay of the Company in bringing it to its present stature.
2. Past Remuneration: The remuneration drawn by Shri. Susheel Kumar Gupta, CFO and Whole-time Director is ` 3,50,000/- per month at present.
3. Recognition or awards : Nil
4. Job Profile and his suitability:  
  
Keeping the past record of Shri. Susheel Kumar Gupta in mind and his contribution towards the Company, it is proposed for payment of remuneration to Shri. Susheel Kumar Gupta ` 3,50,000/- per month.
5. Remuneration proposed:  
  
As set out in the Resolutions for the item No.6 the remuneration to Shri. Susheel Kumar Gupta, CFO and Whole-time Director has the approval of the Nomination and Remuneration Committee and Board of Directors, is within the limits specified under Schedule V of Companies Act.
6. Comparative remuneration profile with respect to industry, size of the Company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):  
  
Taking into consideration of the size of the Company, the profile of Shri. Susheel Kumar Gupta and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration, he is holding 32,19,699 Equity Shares of the Company.

**ITEM NO: 7****APPOINTMENT OF SHRI. CA PANKAJ KUMAR TRIVEDI AS INDEPENDENT DIRECTOR OF THE COMPANY:**

Shri CA. Pankaj Kumar Trivedi was appointed as Additional Director on 26th March, 2019 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Non-Executive Independent' in terms of the Companies Act, 2013, an Additional Director shall hold office up to the date of the ensuing Annual General Meeting of the Company or the last date on which annual general meeting should have been held, whichever is earlier and be eligible for appointment to the office of a Director at General Meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a notice from a member under Section 160 of the Companies Act 2013, for appointment of Shri CA. Pankaj Kumar Trivedi for the office of Director in Independent category.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Shri CA. Pankaj Kumar Trivedi as 'Non-executive Independent Director' for a term up to 5 consecutive years commencing from the date of his appointment as Additional Director i.e. 26th March, 2019 up to 25th March, 2024.

Accordingly the Board of Directors recommends the passing of the above Resolution as an Ordinary Resolution set out in the item no. 7 of the notice for appointment of Shri. CA. Pankaj Kumar Trivedi.

Save and except Shri. CA. Pankaj Kumar Trivedi Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

**ITEM No: 8**

**RE-APPOINTMENT OF SHRI. SRIKANTH REDDY MUPPIDI AS INDEPENDENT DIRECTOR OF THE COMPANY:**

Shri. Srikanth Reddy Muppidi (DIN: 00026249) was appointed as Independent Director of the Company for a period of 5 years from 30th September 2014 to 29th September, 2019 at the 24th Annual General Meeting held on 30th September 2014.

Shri. Srikanth Reddy Muppidi's term as an Independent Director of the Company ends on 29.09.2019. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri. Srikanth Reddy Muppidi being eligible and offering himself for re-appointment as an Independent Director for five consecutive years for a term up to 29th September 2024. The Company has received a notice from a member under Section 160 of the Companies Act 2013 for appointment of Shri. Srikanth Reddy Muppidi for the office of Director in Independent category.

In the opinion of the Board, Shri. Srikanth Reddy Muppidi fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri. Srikanth Reddy Muppidi as an Independent Director.

Accordingly the Board of Directors recommends the passing of the above Resolution as Special Resolution set out in the item no. 8 of the notice for appointment of Shri. Srikanth Reddy Muppidi

Save and except Shri. Srikanth Reddy Muppidi Independent Director, being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

By Order of the Board  
For Vijay Textiles Limited

Place: Secunderabad  
Date: 24.07.2019

Sd/-  
S. Nagarajan  
Company Secretary

Registered Office:  
Surya Towers, Ground Floor,  
104 Sardar Patel Road,  
Secunderabad – 500 003



Dear Members,

Your Directors have pleasure in presenting the Directors' Report and the Audited Statement of Accounts of the Company for the Financial Year ended 31<sup>st</sup> March 2019.

**FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS STATE OF AFFAIRS:**

The performance of the Company during the year has been as under:

Particulars	(` In Lakhs)	
	2018-2019	2017-2018
Total Revenue from operations	9,590.09	11,171.26
Total Expenses	9,375.72	10,499.74
Profit Before Tax	214.37	671.52
Less: Taxation		
a) Current Tax	49.56	22.90
b) Deferred Tax	(136.67)	(153.95)
Profit / (Loss) After Tax	301.48	802.57
Other Comprehensive Income	2.77	(13.93)
Total Comprehensive Income	304.25	788.64
Earning per Equity Share- Basic & Diluted (in `.)	1.99 & 1.54	6.01 & 6.01

**REVIEW OF OPERATIONS:**

During the year under review the Company has made a turnover and other income of ` 9590.09 Lakhs and net profit of ` 304.25 Lakhs as compared to turnover and other income of ` 11171.25 Lakhs and net profit of ` 788.64 Lakhs achieved in the previous financial year.

**PERFORMANCE AND FUTURE OUTLOOK**

During the year and revenue from the operations is slightly lower when compared to the previous year due to the general downfall in the industry.

Prospective outlook for the current financial year is good and your Company, plans to maintain its strategy for aggressive marketing of its new range of embroidery products, which have a very good and consistent demand in the contemporary markets. Aggressive marketing strategy includes offering better and competitive pricing to the dealers albeit with a shorter credit period in order to provide impetus to the cash flows. Your Company is quite hopeful to show much improved results and to excel in its performance in the current financial year.

**CHANGE IN THE NATURE OF THE BUSINESS, IF ANY:**

During the period under review and the date of Board's Report there was no change in the nature of Business.

**RESERVES**

During the year your Company has not transferred any amount to General Reserve Account.

**DIVIDEND**

Keeping the Company's expansion and growth plans in mind, your Directors have decided not to recommend dividend for the year.

#### UNPAID / UNCLAIMED DIVIDEND

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor Education and Protection Fund established by the Central Government.

During the year dividend amounting to `1,94,229/- that had not been claimed by the Shareholders for the year ended 31<sup>st</sup> March, 2011 was transferred to the credit of Investor Education and Protection Fund on 01.10.2018 as required under Section 124 read with Section 125 of the Companies Act 2013.

It may be noted that no claims shall lie against the Company in respect of any amount of dividend remaining unclaimed/unpaid for a period of seven (7) years from the dates of they become due for payment. Members who have not claimed the dividends declared for the financial year 31<sup>st</sup> March, 2018 are requested to lodge their claim immediately with the Company's Registrar and Transfer Agents at the address mentioned in the Annual Report. The Company has already send reminders to all such members at their registered address in this regard. Further, as per Section 124(6) of the Act read with IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years has to be transferred, under sub-Section 5 of the Act, to the IEPF Suspense Account (in the name of the Company) with one of the Depository Participants as may be identified by the IEPF Authority, within thirty (30) days of such shares becoming due to be transferred to the IEPF. However, proviso to Sub-Section 6 provides that the shares transferred to the IEPF can be claimed by the concerned shareholders(s) from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. Include.

#### MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report (24.07.2019)

#### BOARD MEETINGS:

The Board of Directors duly met Eight (8) times during the financial year from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019. The dates on which the meetings were held are 29.05.2018, 13.08.2018, 08.09.2018, 28.09.2018, 13.11.2018, 14.12.2018, 14.02.2019 and 26.03.2019.

#### APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS /CEO/ CFO AND KEY MANAGERIAL PERSONNEL:

- Shri. R. Malhotra, Finance Director and CFO of the Company has resigned from the Company w.e.f 23.07.2018.
- Shri CA. Pankaj Kumar Trivedi was appointed as additional director w.e.f 26.03.2019.
- Shri Susheel Kumar Gupta retires by rotation and being eligible offers himself for re-appointment.
- Shri M. Srikanth Reddy has completed one tenure as independent director. He is being appointed as independent director for a second term.
- Shri Vijay Kumar Gupta is being re-appointed as Chairman and Managing Director of the Company.
- As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-:

Name of the Director	Shri Vijay Kumar Gupta	Shri Susheel Kumar Gupta
Date of Birth	03.02.1950	28.01.1975
Qualification	Degree in Commerce	Degree in Commerce
Expertise in specific functional areas	Joined with his father in textile business at a very young age and has now got a core experience of around 54 years in the industry. He has a strong business acumen and is the mainstay of the Company in bringing it to its present stature	Over 28 years' experience in Textiles Processing Industry
Names of Listed entities in which the person also holds the Directorship and the membership of Committees of the board	-	-
Shareholding of non-executive Directors.	-	-
No. of Shares held in the Company	59,48,016 Equity Shares of the Company and 10,20,830 Equity Shares as HUF.	32,19,699 Equity Shares of the Company.
Inter se relationship with any Director	Shri Susheel Kumar Gupta, Executive Director is son of Shri Vijay Kumar Gupta.	Son of Shri Vijay Kumar Gupta Chairman and Managing director.

Name of the Director	Shri. Srikanth Reddy Muppidi	Shri Pankaj Kumar Trivedi
Date of Birth	21.06.1951	18.04.1966
Qualification	Degree in Commerce	Chartered Accountant
Expertise in specific functional areas	Over 48 years in the business of agriculture seeds and has also been advising different Companies on financial matters.	Professional experience of about 20 years' experience in various fields such as Audit and Taxation.
Names of Listed entities in which the person also holds the Directorship and the membership of Committees of the board	-	-
Shareholding of non-executive Directors.	-	-
No. of Shares held in the Company	-	-
Inter se relationship with any Director	-	-

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received declarations from Shri M. Srikanth Reddy, Mrs. Alka Zanwar, Mr. Pankaj Kumar Trivedi and Mr. Penmetsa Vikram, Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the Directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2018-2019 are also disclosed on the Company's website at [https:// www.vijaytextiles.com](https://www.vijaytextiles.com).

**POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:**

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with Section 178(3) of the Companies Act, 2013, Clause 49 (IV) (B) of the Listing Agreement and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is attached as an Annexure to the Corporate Governance Report.

**NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts of the Company from time to time, we state as under:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis;
5. That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividend which remains unpaid or unclaimed for a period of seven years from its declaration to the Investor Education and Protection Fund established by the Central Government. Further, as per Section 124(6) of the Act read with IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years has to be transferred, within thirty (30) days of such shares becoming due to be transferred to the IEPF.

Accordingly, the Company has transferred the unclaimed dividend required to be transferred to IEPF and equity shares thereon.

However, proviso to Sub-Section 6 provides that the shares transferred to the IEPF can be claimed by the concerned shareholders(s) from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

The details of Dividend of earlier years remain unclaimed by the shareholders as on 31.03.2019 are as given below:

Financial Year	Date of Declaration of Dividend	Last Date of Claiming Dividend	Unclaimed amount as on 31.03.2019 (in `)	Due date for transfer to Investor Education and Protection Fund (IEPF)
2017-2018	28.09.2018	28.10.2018	1,76,242	03.11.2025

**INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:**

During the year under review, the Company does not have any subsidiaries, joint ventures or associate Companies.

**EXTRACT OF ANNUAL RETURN:**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is a part of this Annual Report in enclosed as Annexure-I.

**STATUTORY AUDITORS:**

The members of the Company in accordance with Section 139 of the Companies Act, 2013 had passed a Resolution for appointment of M/s. Laxminiwas & Co., as Statutory Auditors of the Company for a period of 4 years in the AGM held on 26.09.2017 to hold office up to the conclusion of 31<sup>st</sup> Annual General Meeting of the Company to be held in the year 2021 which was subject to ratification as per the provisions of Companies Act, 2013.

However, pursuant to notification from the MCA dated 07.05.2018, ratification of appointment of Statutory Auditors at every Annual General Meeting has been dispensed with.

**DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

There have been no frauds reported by the Auditors u/s 143(12).

**INTERNAL AUDITORS:**

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed M/s. Sankaran & Krishnan, Chartered Accountants as Internal Auditors of the Company for the financial year 2018-2019.

**DISCLOSURE ABOUT COST AUDIT:**

As per Section 148 of the Companies Act, 2013 read with Rules framed there under M/s Nageswara Rao & Co (Registration No. 000332) Cost Accountants were appointed as Cost Auditors of the Company for the financial year ending 31st March, 2019.

**SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, the Board has appointed M/s. S.S. Reddy & Associates, Practicing Company Secretaries to undertake Secretarial Audit of the Company for financial year ending 31.03.2019. The report of the Secretarial Auditor is enclosed herewith vide Annexure-II of this Report.

**QUALIFICATIONS IN AUDIT REPORTS:**

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made.

**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended 31<sup>st</sup> March, 2019 and has noted that the same does not have any reservation, qualification or adverse remarks except the following:

- (a) Amount due for more than 365 days - Company realised an amount of ` 8.10 Crores up to the date of this report and the Company taking necessary steps for realisation.
- (b) Delay in payment of loan instalments - The delay in payment of instalments due to delay in realisation of Debtors in view of general downfall in the industry. With regard to the instalment due for the month of March, 19 will be cleared before the month end of July, 19.

However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report for the year ended 31st March, 2019 on the Compliances according to the provisions of Section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given loans, Guarantees or made any investments during the year which attracts the provisions of Section 186 of the Companies Act, 2013.

**RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature.

None of the Directors have any pecuniary relationship or transactions with the Company, except payments made to them in the form of remuneration, rent, sitting fees and interest on unsecured loans.

The Company has not entered into any contracts/arrangements with related parties referred to Section 188(1) of the Companies Act, 2013 including certain arm length transaction during the year. Accordingly no disclosure or reporting is required covered under this Section.

**CORPORATE SOCIAL RESPONSIBILITY (CSR, COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY):**

The Corporate Social Responsibility Committee, formed under Section 135 of the Companies Act, 2013, comprises of 3 members with One Independent Director and two Executive Directors.

**Composition**

Name of the Director	Designation	Category
Shri. Vijay Kumar Gupta	Chairman	Managing Director
Shri. Susheel Kumar Gupta	Member	Whole-Time Director
Shri. C.A. Penmetsa Vikram	Member	Independent, Non-Executive

Brief description of Terms of Reference:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules there under.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the framework of the CSR policy.
- To observe corporate governance practices at all levels and to suggest remedial measures wherever necessary.

To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or appropriate for performance of its duties. Details of CSR is given as Annexure III

**NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

During the year under review no Company has become or ceased to become its subsidiaries, joint ventures or associate Company.

**DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as prescribed under Section 134(3) (m) of the Companies Act, 1956, read with Companies (Accounts) Rules, 2014 are enclosed as Annexure IV.

**COMMITTEES:**

**(I). AUDIT COMMITTEE:**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (LODR) Regulations with the Stock Exchanges read with Section 177 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**(II). NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**(III). STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**(IV). RISK MANAGEMENT COMMITTEE AND POLICY:**

The Company has constituted a Risk Management Committee. The details of constitution of the Committee and its terms of reference are set out in the Report on Corporate Governance. The Company as formulated a Risk Management Policy under which various risks associated with the business operations is identified and risk mitigation plans have been put in place.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Regulation 22 of SEBI (LO&DR) Regulations, 2015, a vigil Mechanism for Directors and employees to report genuine concerns has been established. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith.

Vigil Mechanism Policy has been established by the Company for Directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 read with Regulation 22 of SEBI (LO&DR) Regulations, 2015. The same has been placed on the website of the Company.

**PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling within the meaning of Sec 73, 74 & 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014, during the financial year under review.

The Company has accepted unsecured loans under the Chapter V of the Companies Act, 2013 from the Promoter Directors during the financial year 2018-2019 and have obtained necessary declaration from them confirming that the funds invested by way of unsecured loans in the Company during the said financial year were neither acquired by borrowing or from accepting loans or deposits from others.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY COURTS / REGULATORS / TRIBUNALS:**

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

**DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

**INSURANCE:**

The properties and assets of your Company are adequately insured.



**CREDIT & GUARANTEE FACILITIES:**

The Company has availed Working Capital facilities and Term Loan from Banks. The Company has also given counter guarantee to bankers for obtaining Bank Guarantee.

**SHARE CAPITAL**

The Authorised Share Capital of the Company stands at ` 73,30,00,000/-.

The Paid up Share Capital of the Company stands at ` 15,29,00,000 /- divided into 1,52,90,000 Equity Shares of `10/- each.

**CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

The Company has implemented all of its major stipulations as applicable to the Company. As stipulated under Regulation 34 read with Schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance duly audited is appended as Annexure V for information of the Members. A requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation appended as Annexure VI for information of the Members.

**POLICIES:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (<https://www.vijaytextiles.com/investors/policies>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

Name of the policy	Brief Description	Website link
Board Diversity Policy	At Vijay Textiles Limited, we believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.	<a href="https://www.vijaytextiles.com/investors/Policies/board-diversity-policy.pdf">https://www.vijaytextiles.com/investors/Policies/board-diversity-policy.pdf</a>
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the Directors, key managerial personnel and other employees.	<a href="https://www.vijaytextiles.com/investors/Policies/Nomination&amp;RemunerationPolicy.pdf">https://www.vijaytextiles.com/investors/Policies/Nomination&amp;RemunerationPolicy.pdf</a>
Corporate Social Responsibility Policy	The policy is framed to outline the formation of the committee which directs the Company in implementing the programs relating to education and any other program as the Board may think fit.	<a href="https://www.vijaytextiles.com/investors/Policies/corporatesocialresponsibilitypolicy.pdf">https://www.vijaytextiles.com/investors/Policies/corporatesocialresponsibilitypolicy.pdf</a>
Policy on Material Subsidiaries	The policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company and to provide the governance framework for them.	<a href="https://www.vijaytextiles.com/investors/Policies/Materialsubsidiaries.pdf">https://www.vijaytextiles.com/investors/Policies/Materialsubsidiaries.pdf</a>
Related Party Transaction Policy	The policy regulates all transactions between the Company and its related parties	<a href="https://www.vijaytextiles.com/investors/Policies/RelatedPartytransactionpolicy.pdf">https://www.vijaytextiles.com/investors/Policies/RelatedPartytransactionpolicy.pdf</a>

**ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:**

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

**STATUTORY COMPLIANCE:**

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

Committee:

Name	Designation
N. Mrunalini	Presiding Officer
D. Sarada Sri Malini	Member
S. Nagarajan	Member
Dasaripalla Joji	External Member

All employees are covered under this policy. During the year 2018-2019, there were no complaints received by the Committee.

**STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure VII to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as Annexure VIII

During the year NONE of the employees is drawing a remuneration of ` .1,02,00,000/- and above per annum or ` .8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**RATIO OF REMUNERATION TO EACH DIRECTOR:**

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. Vijay Kumar Gupta, Managing Director of the Company to the median remuneration of the employees is 25.01:1 and of Mr. Susheel Kumar Gupta, Whole-Time director & CFO of the Company is 25.01:1.

**CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and Amended Regulations 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (<https://www.vijaytextiles.com/investors/insider-trading-policy.pdf>).

**SECRETARIAL STANDARDS**

The Company is in compliance with the applicable secretarial standards.

**EVENT BASED DISCLOSURES**

**During the year under review, the Company has taken up any of the following activities:**

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: The Company has issued 65,95,000 warrants convertible in to equity shares on preferential basis to Promoters and public. Out of which 21,65,000 warrants converted in to fully paid up Equity Shares on 26th March, 2019..

**CEO/ CFO CERTIFICATION:**

The Managing Director cum CEO and CFO certification of the financial statements for the year 2018-2019 is annexed in this Annual Report.

**ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company. Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

For and on behalf of the Board  
Vijay Textiles Limited

Sd/-  
Vijay Kumar Gupta  
Chairman & Managing  
Director  
DIN:01050958

Place: Secunderabad  
Date: 24.07.2019

**CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2018-19**

The shareholders,

**Code of Conduct**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

**Certificate of Code of Conduct for the year 2018-2019 as per Regulation 17(5) read with Regulation 34 (3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Vijay Textiles Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all Director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2018-2019.

For and on behalf of the Board  
Vijay Textiles Limited

Place: Secunderabad  
Date: 24.07.2019

Sd/-  
Vijay Kumar Gupta  
Chairman & Managing Director  
DIN: 01050958

**FORM NO. MGT – 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>st</sup> March, 2019**

[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	L18100TG1990PLC010973
ii)	Registration Date	02-02-1990
iii)	Name of the Company	Vijay Textiles Limited
iv)	Category / Sub-Category of the Company	Company having Share Capital
v)	Address of the Registered office and contact details	Ground Floor, Surya Towers, 104,S.P.Road Secunderabad, Telangana State – 500003.
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	Shri G. Bhaskara Murthy GM & Compliance Officer Aarthi Consultants Private Limited 1-2-285, Domalguda,Hyderabad - 500029 Phone: 040-27638111.

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Dyeing and Printing of Textile Fabrics	2480	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
	NA	NA	NA	NA	NA

## 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	
<b>A. Promoter</b>									
(1) Indian									
a) Individual / HUIF	85,05,045	-	85,05,045	64.80	85,05,045	21,65,000	1,06,70,045	69.78	4.98
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI's	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub Total (A)(1)</b>	<b>85,05,045</b>	<b>-</b>	<b>85,05,045</b>	<b>64.80</b>	<b>85,05,045</b>	<b>21,65,000</b>	<b>1,06,70,045</b>	<b>69.78</b>	<b>4.98</b>
(2) Foreign	--	--	--	--	--	--	--	--	--
a) NRI - Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub Total (A)(2)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Shareholding of Promoter (A)=(A)(1) + (A)(2)</b>	<b>85,05,045</b>	<b>-</b>	<b>85,05,045</b>	<b>64.80</b>	<b>85,05,045</b>	<b>21,65,000</b>	<b>1,06,70,045</b>	<b>69.78</b>	<b>4.98</b>

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	
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt (s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others	--	--	--	--	--	--	--	--	--
<b>Sub Total (B) (1)</b>	--	--	--	--	-	--	-	-	-
<b>2. Non Institutions</b>									
a) Bodies Corporate									
i) Indian	3,76,319	--	3,76,319	2.87	349028	--	349028	2.28	(0.59)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders holding nominal share capital up to ` .1 Lakh	1953892	14093	1967985	14.99	1993269	13068	2006337	13.12	(1.87)

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	
ii) Individual Shareholders holding nominal share capital in excess of ` .1 Lakh	2025706	--	2025706	15.43	2092710	--	2092710	13.70	(1.73)
c) Others	248145	--	249945	1.91	171580	300	171880	1.12	(0.79)
i) IEPF	40675	--	40675	0.31	67878	--	67878	0.44	0.13
ii) Clearing members	192940	--	192940	1.47	58606	--	58606	0.38	(1.09)
iii) Non-Resident Indian (NRI)	14530	1800	16330	0.13	45096	300	45396	0.30	(0.17)
<b>Sub Total (B) (2)</b>	<b>4604062</b>	<b>15893</b>	<b>4619955</b>	<b>35.20</b>	<b>4606587</b>	<b>13368</b>	<b>4619955</b>	<b>30.22</b>	<b>(4.98)</b>
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	<b>4604062</b>	<b>15893</b>	<b>4619955</b>	<b>35.20</b>	<b>4606587</b>	<b>13368</b>	<b>4619955</b>	<b>30.22</b>	<b>(4.98)</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>13109107</b>	<b>15893</b>	<b>13125000</b>	<b>100</b>	<b>13111632</b>	<b>2178368</b>	<b>15290000</b>	<b>100</b>	<b>--</b>



**(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (as on 01-04-2018)			Shareholding at the end of the year (as on 31-03-2019)			% change in shareholding 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	Vijay Kumar Gupta	44,98,016	34.27	77.77	59,48,016	38.90	58.81	--
2	Susheel Kumar Gupta	28,04,699	21.37	77.72	32,19,699	21.06	67.70	--
3	Shashi Kala Gupta	1,81,500	1.38	100	4,81,500	3.15	37.69	--
4	Vijay Kumar Gupta (HUF)	10,20,830	7.78	88.93	10,20,830	6.68	100	--
	<b>Total</b>	<b>85,05,045</b>	<b>64.80</b>		<b>1,06,70,045</b>	<b>69.78</b>		<b>--</b>

**(iii) Change in Promoters' Shareholding:**

Sl. No.	Shareholder's Name	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
<b>1.</b>	<b>Vijay Kumar Gupta (HUF)</b>				
	At the beginning of the year	10,20,830	7.78	10,20,830	7.78
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):				
	At the End of the year			10,20,830	7.78
<b>2.</b>	<b>Susheel Kumar Gupta</b>				
	At the beginning of the year	28,04,699	21.37	28,04,699	21.37
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):	29.03.2019 -4,15,000 (Allotment)		32,19,699	21.06
	At the End of the year			32,19,699	21.06

Sl. No.	Shareholder's Name	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
3.	<b>Vijay Kumar Gupta</b>				
	At the beginning of the year	44,98,016	34.27	44,98,016	34.27
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):	29.03.2019-14,50,000 (Allotment)		59,48,016	38.90
	At the End of the year			59,48,016	38.90
4.	<b>Shashi Kala Gupta</b>				
	At the beginning of the year	1,81,500	1.38	1,81,500	1.38
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):	29.03.2019-3,00,000 (Allotment)		4,81,500	3.15
	At the End of the year			4,81,500	3.15

**(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS):**

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Zaki Abbas Nasser	380000	2.89	15-Jun-18	10000	Purchase	390000	
				31-Aug-18	10000	Sold	380000	
				07-Sep-18	20000	Sold	360000	
				01-Mar-19	20000	Sold	340000	
				08-Mar-19	30000	Sold	310000	
				15-Mar-19	10000	Sold	300000	
				22-Mar-19	10000	Sold	290000	1.90

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
2.	Kaveri Seed Company Limited	199425	1.52	-	-	-	199425	1.52
3.	Sukanya Reddy Muppidi	180000	1.37	-	-	-	180000	1.37
4.	Nitesh Vijay Vargiya	180724		03-Aug-18	2866	Sold	177858	
				17-Aug-18	34634	Sold	143224	0.94
5.	Abhish Kumar	134309		-	-	-	134309	0.88
6.	Anita Agarwal	84730	0.65	06-Apr-18	304	Purchase	85034	
				31-Aug-18	45372	Purchase	130406	
				07-Dec-18	2000	Purchase	132406	0.87
7.	Neeraj Agarwal	100000	0.76	-	-	-	100000	0.76
8.	Investor Education and Protection Fund Authority Ministry Of Corporate Affairs	40675	0.31	01-Apr-18	14672	Claim	26603	
				06-Apr-18	14672	Transfer	40675	
				13-Apr-18	14672	Claim	26603	
				27-Apr-18	14672	Transfer	40675	
				25-May-18	14672	Claim	26603	
				08-Jun-18	14672	Transfer	40675	
				15-Jun-18	14672	Claim	26603	
				22-Jun-18	14672	Transfer	40675	
				30-Jun-18	14672	Claim	26603	
				06-Jul-18	14672	Transfer	40675	
				27-Jul-18	14672	Claim	26603	
				10-Aug-18	14672	Transfer	40675	
				17-Aug-18	14672	Claim	26603	
				24-Aug-18	14672	Transfer	40675	
				29-Sep-18	14672	Claim	26603	
12-Oct-18	14672	Transfer	40675					
16-Nov-18	27203	Transfer	67878	0.44				

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
9.	HSE Securities Limited	2230		13-Apr-18	349	Purchase	2579	
				20-Apr-18	2149	Sale	430	
				27-Apr-18	200	Sale	230	
				11-May-18	250	Purchase	480	
				18-May-18	250	Sale	230	
				08-Jun-18	200	Sale	30	
				15-Jun-18	300	Purchase	330	
				22-Jun-18	300	Sale	30	
				03-Aug-18	1350	Purchase	1380	
				10-Aug-18	349	Sale	1031	
				17-Aug-18	1001	Sale	30	
				24-Aug-18	1081	Purchase	1111	
				31-Aug-18	1081	Sale	30	
				09-Nov-18	2800	Purchase	2830	
				23-Nov-18	2000	Purchase	4830	
				30-Nov-18	2667	Purchase	7497	
				31-Dec-18	45108	Purchase	52605	
				11-Jan-19	30	Sale	52575	
25-Jan-19	140	Purchase	52715					
01-Feb-19	140	Sale	52575					
22-Mar-19	2000	Purchase	54575	0.36				
10.	Sundeep J Shah	50708	0.39	31-Aug-18	3774	Purchase	54482	
				21-Dec-18	18	Purchase	54500	0.36

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
<b>A</b>	<b>Directors</b>							
1	Vijay Kumar Gupta	4498016	34.27	29.03.19	1450000	Allotment	5948016	38.90
2	Susheel Kumar Gupta	2804699	21.37	29.03.19	415000	Allotment	3219699	21.06
3	R.Malhotra	-	-				-	-
4	M.Srikanth Reddy	-	-				-	-
5	CA. P.Vikram	-	-				-	-
6	CA Alka Zanwar	-	-				-	-
<b>B.</b>	<b>Key Managerial Personnel</b>							
1.	S.Nagarajan	1,200	0.01				1200	0.01

**V. INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,21,50,48,427	73,97,00,000	-	1,95,47,48,427
ii) Interest due but not paid	49,89,789	4,45,77,713	-	4,95,67,502
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,22,00,38,216</b>	<b>78,42,77,713</b>	-	<b>2,00,43,15,929</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	24,96,56,643	-	24,96,56,643
Reduction	(9,06,52,550)	-	-	(9,06,52,550)
<b>Net Change</b>	<b>(9,06,52,550)</b>	<b>24,96,56,643</b>	-	<b>15,90,04,093</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1,11,61,94,867	92,51,19,510	-	2,04,13,14,377
ii) Interest due but not paid	1,31,90,799	10,88,14,846	-	12,20,05,645
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,12,93,85,666</b>	<b>1,03,39,34,356</b>	-	<b>2,16,33,20,022</b>

## V. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No	Particulars of Directors	Vijay Kumar Gupta (Managing Director)	Susheel Kumar Gupta (Executive Director cum CFO)	R.Malhotra (Whole Time Director)	Total Amount (₹)
1.	Gross salary	42,00,000	42,00,000	4,80,000	88,80,000
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961.	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961.	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	as % of profit	-	-	-	-
	Others	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	42,00,000	42,00,000	4,80,000	88,80,000
	Ceiling as per the Act				

## B. Remuneration to Other Directors:

S. No	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		M.Srikanth Reddy	CA.P.Vikram	CA.Aika Zanwar	CA Pankaj Kumr Trivedi	
1	<b>Independent Directors</b>					
	Fee for attending Board /Committee Meetings	65,000	95,000	90,000	--	2,50,000
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	<b>Total (1)</b>					
2	<b>Other Non-Executive Directors</b>					
	Fee for attending Board/Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B) = (1+2)</b>	65,000	95,000	90,000	--	2,50,000
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (S.Nagarajan)	CFO	Total (₹)
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	19,20,000	*mentioned in above table A. in respect of remuneration of MD, WTD etc.	19,20,000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	-	<b>19,20,000</b>	-	<b>19,20,000</b>

**VI PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority (RD /NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					

For and on behalf of the Board  
Vijay Textiles Limited

Sd-  
Vijay Kumar Gupta  
Chairman & Managing Director  
DIN: 01050958

Place: Secunderabad  
Date: 24.07.2019

**FORM MR-3  
SECRETARIAL AUDIT REPORT**

(Pursuant to section 204(1) of the Companies Act, 2013  
and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

To,  
The Members  
Vijay Textiles Limited

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

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year commencing from 1<sup>st</sup> April, 2018 and ended 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> of March, 2019 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 (FDI), Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2018-19:-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Complied with yearly and event based disclosures, wherever applicable.
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 Insider Trading Regulations; The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. [www.vijaytextiles.in](http://www.vijaytextiles.in)
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable as the Company has not issued any Employee Stock Options during the year under review.



- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and SEBI ( Issue and Listing of Debt Securities ) ( Amendment) Regulations, 2019 Not Applicable as the Company has not issued any debt securities during the year under review.
- vi. 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; Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However, the Company has Aarthi Consultants Private Limited as its Share Transfer Agent.
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2018 : Not Applicable as the Company has not delisted/ proposed to delist its equity shares during the year under review.
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.
- ix. Other applicable laws include the following:
  - a) Factories Act, 1948
  - b) Payment Of Wages Act, 1936, and rules made there under,
  - c) The Minimum Wages Act, 1948, and rules made there under,
  - d) Employees' State Insurance Act, 1948, and rules made there under,
  - e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
  - f) The Payment of Bonus Act, 1965, and rules made there under,
  - g) Payment of Gratuity Act, 1972, and rules made there under,
  - h) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
  - i) Industrial Disputes Act, 1947
  - j) The Air (Prevention and Control of Pollution) Act, 1981
  - k) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
  - l) Textiles Committee Act, 1963
  - m) Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008 We have also examined compliance with the applicable clauses of the following:
    - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
    - (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

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

- a) During the year the Company has conducted 8 Meetings of the Board of Directors, 4 Meetings of the Audit Committee, 4 Meetings of Stakeholder Relationship Committee and 1 Meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.

- b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
- (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
- External Commercial Borrowings were not attracted to the Company under the financial year under report;
  - Foreign Direct Investment (FDI) was not attracted to the Company under the financial year under report;
  - Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the Company under the financial year under report.
- (ii) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- The Company has a CFO, Mr. Susheel Kumar Gupta and a Company Secretary, Mr. S. Nagarajan.
- The Company has internal auditors namely M/s. Sankaran & Krishnan, Chartered Accountants, Hyderabad.
- The website of the Company contains policies as specified by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013.
- 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 of board meeting is given to all the Directors along with agenda 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 meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- We, further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- We further report that during the year under review, Company has issued 65,95,000 warrants convertible into equity shares at an issue price of Rs. 80/- per warrant on preferential basis to the promoters and others and out of which 21,65,000 warrants were converted into fully paid up Equity Shares on 26<sup>th</sup> March, 2019.
- The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by the Statutory financial audit and other designated professionals.

**ANNEXURE TO  
DIRECTORS' REPORT**



**TEXTILES LIMITED**

For S.S. Reddy & Associates

Place: Hyderabad  
Date : 24.07.2019

Sd/-  
S. Sarveswar Reddy  
Proprietor  
M. No. A12611, C.P. No: 7478

**Annexure A**

To  
The Members of  
Vijay Textiles Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying 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 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 future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S.S. Reddy & Associates

Sd/-

S. Sarveswar Reddy  
Proprietor

M. No. A12611, C.P. No: 7478

Place: Hyderabad

Date: 24.07.2019

## REPORT ON CSR ACTIVITIES

[Pursuant to section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **A brief Outline of Company's CSR Policy, including overview of projects or programmes, undertaken/ proposed to be undertaken:**  
The CSR committee of the Board has developed CSR Policy consist of activities as specified in Schedule VII of Companies Act, 2013.

2. **Composition of CSR Committee:**  
The details of the composition of the committee are given below:

Name of the Director	Designation	Category
Shri. Vijay Kumar Gupta	Chairman	Managing Director
Shri. Susheel Kumar Gupta	Member	Whole-Time Director
Shri. C.A. Penmetsa Vikram	Member	Independent, Non-Executive

3. **Average net profits of the Company for last three financial years**  
The average net profit of the Company for the last three financial years was ` 449.78 Lakhs.
4. **Prescribed CSR Expenditure (two per cent of above)**  
The Company has allocated 2% of the average net profits of the last three financial years for the CSR initiative which amounts to ` 8.90 Lakhs.
5. **Details of CSR spent during the financial year:**
- (a) Total amount spent for the financial year: Nil
- (b) Amount unspent, if any: (`) 8.90 Lakhs
- (c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR project or activity identified	Sector in which the Project is covered	Location of Project / Programs	Amount outlay	Amount spent on the projects or Programs (rupees in lakhs)	Cumulative expenditure up to to the reporting period	Amount spent Direct or through implementing agency
NIL							

6. **In case the Company has failed to spend the 2% of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its board report:**  
The Company has identified an ongoing project and the amount will be spent during the current financial year.
7. **Responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company:**  
The CSR Committee has confirmed that Implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board  
Vijay Textiles Limited

Sd/-  
Vijay Kumar Gupta  
Chairman & Managing Director  
DIN: 01050958

Place: Secunderabad  
Date: 24.07.2019

## ANNEXURE TO DIRECTORS' REPORT

## FORM A

[Forming part of Annexure (1)]

## Disclosure of Particulars with respect to conservation of Energy:

1 Energy Conservation:		<u>31.03.2019</u>	<u>31.03.2018</u>
<b>A</b>	1. Power & Fuel Consumption		
	Electricity:		
	a) Purchased:		
	Units	20,50,433	24,18,927
	Total amount (Rs)	1,73,51,830	1,97,42,512
	Cost/Unit (Rs)	8.46	8.16
	b) Own Generation:		
	Through Diesel Generator		
	Units	1,920	Nil
	Units per ltr. of Diesel oil	3.20	Nil
	Cost/Unit (Rs)	22.71	Nil
	2. Coal used in Boiler:		
	Quantity (Tonnes)	Nil	Nil
	Cost (Rs)	Nil	Nil
	Average Rate (Rs)	Nil	Nil
	3. Furnace Oil (HSD):		
	Quantity (K. Litre)	Nil	Nil
	Total Amount (Rs)	Nil	Nil
	Average Unit/Litres	Nil	Nil
	4. Others/Internal generation:		
	Quantity (Tonnes)	6,552	6,558
	Total Cost (Rs)	2,15,53,221	2,09,54,635
	Average Rate (Rs)	3,290	3,195
<b>B</b>	Consumption per unit of production (Linear meter)		
	Electricity	0.98	0.88
	Furnace Oil	Nil	Nil
	Coal (Kgs.)	Nil	Nil
	Others (Firewood) (Kgs.)	3.12	2.41
	2. Technology Absorption:		
		The Company has its In – house Design and Development Department continuously develop innovative designs and select the most suitable raw fabrics for dyeing / printing / processing.	
	3. Foreign Exchange earnings and outgo		
	Earnings (Rs)`	26,15,784	99,59,792
	Outgo (Rs)	Nil	90,135

**ANNEXURE-V****CORPORATE GOVERNANCE REPORT**

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Vijay textiles Limited as follows:

Vijay Textiles Limited is committed to best practices in the area of Corporate Governance. Good governance facilitates effective management and control of business, maintaining a high level of business ethics and optimizing the value for all stakeholders.

The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc.

**COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

**DATE OF REPORT**

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2019. The Report is updated as on the date of the report wherever applicable.

**BOARD DIVERSITY:**

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website.

**BOARD OF DIRECTORS****COMPOSITION OF THE BOARD:**

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Chairman & Managing Director. As on date of this report, the Board of Directors of the Company has 6 members (including four independent Non-Executive Directors) with vast experience and knowledge. None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he/she is a Director.

The Board has been enriched with the advices and skills of the Independent Directors. The composition of the Board of Directors and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

## Corporate Governance Report (Contd.)

Sl. No	Name of the Director	Category	Number/ Name of Directorships in other Listed Companies		Number of Board Committee memberships held in other Companies		Attendance Particulars		
					Member	Chairman	Last AGM 28.09.2018	Board meetings 2018-19 held during the tenure of the director	
			Number	Name				Held	Attended
1	Vijaykumar Gupta	Chairman & Managing Director	-	-	-	-	Yes	8	8
2	Susheel Kumar Gupta	Executive Director & CFO	-	-	-	-	Yes	8	8
3	Srikanth Reddy Muppidi	Independent & Non-executive Director	-	-	-	-	Yes	8	5
4	Vikram Penmetsa	Independent & Non-executive Director	-	-	-	-	Yes	8	8
5	Alka Zanwar	Independent & Non-executive Director	-	-	-	-	Yes	8	8
**6	Pankaj Kumar Trivedi	Independent & Non-executive Director	-	-	-	-	NA	1	1
*7	Shri R. Malhotra	Finance Director & CFO	-	-	-	-	NA	1	1

\*Resigned w.e.f 23.07.2018

\*\* Appointed w.e.f. 26.03.2019

**DETAILS OF SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:**

S.No	Names of the Director	Existing Skills/Expertise/Competence
1	Vijay Kumar Gupta	Around 54 years of core experience in the Textile Industry.
2	Susheel Kumar Gupta	Experience over 28 years in Textile Processing Industry.



## Corporate Governance Report (Contd.)

3	Srikanth Reddy Muppidi	Strong experience of 48 years in the business of agriculture and advisor of different Companies on financial matters.
4	Vikram Penmetsa	Chartered Accountant having professional experience about 14 years in various fields such as Audit, Internal Controls and risk management.
5	Alka Zanwar	Chartered Accountant having professional experience of 24 years in various fields such as Audit and Taxation.
6	Pankaj Kumar Trivedi	Chartered Accountant having professional experience of 20 years in various fields such as Audit and Taxation.

**DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:**

Mr. Vijay Kumar Gupta, Promoter Director and Mr. Susheel Kumar Gupta, Promoter Director of the Company are related to each other by virtue of their relationship as father and son respectively. Other Directors do not have any inter-se relation with each other.

**NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON EXECUTIVE DIRECTORS:**

Srikanth Reddy Muppidi, Non-Executive Director of the Company holds 5,00,000 Convertible warrants in his name.

**INDEPENDENT DIRECTORS**

The Company has complied with the definition of Independence as per Regulation 16(1) (b) of the SEBI (LODR), Regulations, 2015 and according to the Provisions of Section 149(6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

**INDEPENDENT DIRECTORS' MEETING:**

As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 22.02.2019, and discussed the following:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company eligible to attend were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

**FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important

**Corporate Governance Report (Contd.)**

policies of the Company is also made to the Directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2018-19 are also disclosed on the Company's website at <https://www.vijaytextiles.com>.

**INFORMATION SUPPLIED TO THE BOARD:**

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CFO is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and its status monitoring
- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Corporate Governance Report (Contd.)****DECLARATION BY BOARD**

The Board has confirmed that in its opinion, the independent Directors fulfill the conditions specified in these regulations and are independent of the management.

During the year under review, no Independent Director has resigned before expiry of his tenure

**AUDIT COMMITTEE: (Audit Committee constituted in terms of sec. 177 of Companies Act, 2013 read with reg. 18 of SEBI (LODR) Regulations, 2015)**

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, interalia, includes

1. Over view of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflects a true and fair position and that sufficient and credible information is disclosed.
2. Recommending the appointment and removal of statutory auditors, internal auditors and cost auditors, fixation of their audit fees and approval for payment of any other services.
3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
4. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.
5. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - i) Any changes in accounting policies and practices.
  - ii) Major accounting entries based on exercises of judgment by the management.
  - iii) Qualifications in draft audit report.
  - iv) Significant adjustment arises out of audit.
  - v) The going concern assumption.
  - vi) Compliance with accounting standards, stock exchange and legal requirement concerning financial statements.
  - vii) Review and approval of related party transactions.
6. Reviewing the Company's financial and risk management's policies.
7. Disclosure of contingent liabilities.
8. Reviewing with management, external and internal auditors, the adequacy of internal control systems.
9. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

## Corporate Governance Report (Contd.)

10. Discussion with internal auditors of any significant findings and follow-up thereon.
11. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. Reviewing compliances as regards the Company's Whistle Blower Policy.

**COMPOSITION, MEETINGS & ATTENDANCE**

There were four (4) Audit Committee Meetings held during the year on 29.05.2018, 13.08.2018, 13.11.2018 and 14.02.2019.

Name	Designation	Category	Number of meetings during the year 2018-2019	
			Held	Attended
CA P Vikram*	Chairman	Independent, Non-Executive	4	4
Shri M. Srikanth Reddy**	Member	Independent, Non-Executive	4	3
CA Alka Zanwar	Member	Independent, Non-Executive	4	4
CA Pankaj Kumar Trivedi***	Member	Independent, Non-Executive	-	-

\*w.e.f 27.05.2019 as Chairman

\*\* till 27.05.2019 was Chairman.

\*\*\*appointed from 26.03.2019.

Previous Annual General Meeting of the Company was held on 28<sup>th</sup> September, 2018 and Mr. M. Srikanth Reddy, Chairman of the Audit Committee for that period, attended previous AGM.

**NOMINATION AND REMUNERATION COMMITTEE**

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

**BRIEF DESCRIPTION OF TERMS OF REFERENCE**

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  - a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  - b. To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.

## Corporate Governance Report (Contd.)

- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

**COMPOSITION OF THE COMMITTEE, MEETINGS & ATTENDANCE**

There was one Nomination and Remuneration Committee Meetings held during the financial year on 26.03.2019.

Name	Designation	Category	Number of meetings during the year 2018-19	
			Held	Attended
CA P Vikram*	Chairman	Independent, Non-Executive	1	1
Shri M. Srikanth Reddy**	Member	Independent, Non-Executive	1	1
CA Alka Zanwar	Member	Independent, Non-Executive	1	1
CA Pankaj Kumar Trivedi***	Member	Independent, Non-Executive	-	-

\*w.e.f 27.05.2019 as Chairman

\*\* till 27.05.2019 was Chairman.

\*\*\*appointed from 26.03.2019

**REMUNERATION POLICY:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:****1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

**2. Terms and References:**

2.1 "Director" means a Director appointed to the Board of a Company.

2.2 "Nomination and Remuneration Committee" means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing

**Corporate Governance Report (Contd.)**

- Obligations and Disclosure Requirements) Regulations, 2015.
- 2.3 **"Independent Director"** means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3. Policy:**
- Qualifications and criteria**
- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
- General understanding of the Company's business dynamics, global business and social perspective;
  - Educational and professional background
  - Standing in the profession;
  - Personal and professional ethics, integrity and values;
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 3.1.3 The proposed appointee shall also fulfill the following requirements:**
- shall possess a Director Identification Number;
  - shall not be disqualified under the companies Act, 2013;
  - shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
  - shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
  - shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
  - Such other requirements as any prescribed, from time to time, under the companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.
- 3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.
- 3.2 Criteria of Independence**
- 3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

**Corporate Governance Report (Contd.)**

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent Director in relation to a Company, means a Director other than a managing Director or a whole-time Director or a nominee Director-

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoters of the Company or its holding, subsidiary or associate Company;  
(ii) who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company
- c. who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or Director, during the two immediately preceding financial year or during the current financial year;
- d. none of whose relative has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;
- e. who, neither himself nor any of his relative-
  - (i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate Company in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;
  - (ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-
    - (A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
    - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding subsidiary or associate Company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;
      - (i) holds together with his relatives two per cent or more of the total voting power of the Company; or
      - (ii) is a chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the Company any of its promoters , Directors or its holding subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or
      - (iii) is a material supplier, service provider or customer or a lesser or lessee of the Company.

**Corporate Governance Report (Contd.)**

- f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the Company's business.
  - g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.
  - h. who is not less than 21 years of age
- 3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

**3.3 Other Directorships/ Committee Memberships**

- 3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.
- 3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.
- 3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

**Remuneration policy for Directors, key managerial personnel and other employees:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

**Remuneration policy for Directors, key managerial personnel and other employees**

**1. Scope:**

- 0.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

**2. Terms and Reference:**

In this policy the following terms shall have the following meanings:



**Corporate Governance Report (Contd.)**

- 2.1 **“Director”** means a Director appointed to the Board of the Company.
- 2.2 **“key managerial personnel”** means
- (i) The Chief Executive Officer or the managing Director or the manager;
  - (ii) The Company Secretary;
  - (iii) The Whole-time Director;
  - (iv) The Chief Financial Officer; and
  - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 **“Nomination and Remuneration committee”** means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3. Policy:**
- 3.1 Remuneration to Executive Director and key managerial personnel
- 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the Company within the overall approved by the shareholders.
- 3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.
- 3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
- (i) Basic pay
  - (ii) Perquisites and Allowances
  - (iii) Stock Options
  - (iv) Commission (Applicable in case of Executive Directors)
  - (v) Retrial benefits
  - (vi) Annual performance Bonus
- 3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.
- 3.2 Remuneration to Non – Executive Directors**
- 3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.
- 3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

## Corporate Governance Report (Contd.)

**3.3. Remuneration to other employees**

- 3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**D. MECHANISM FOR EVALUATION OF THE BOARD**

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated 5<sup>th</sup> January, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

**The Directors were given six Forms for evaluation of the following:**

- (i) Evaluation of Board;
- (ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson;
- (v) Evaluation of Non-Executive and Non-Independent Directors; and
- (vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

The Directors have sent the duly filled forms to Nomination & Remuneration committee. Based on the evaluation done by the Directors, the Committee has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

**E. REMUNERATION TO DIRECTORS**

- (a) all pecuniary relationship or transactions of the non-executive Directors vis-à-vis the listed entity shall be disclosed in the annual report;
- (b) criteria of making payments to non-executive Directors. alternatively, this may be disseminated on the listed entity's website and reference drawn thereto in the annual report;
- (c) disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:
  - (i) all elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;
  - (ii) details of fixed component and performance linked incentives, along with the performance criteria;

## Corporate Governance Report (Contd.)

- (iii) service contracts, notice period, severance fees;
- (iv) stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

Name of the Director	Remuneration ( ` )	Sitting Fee ( ` )	Total ( ` )	No. of Shares held
Shri Vijay Kumar Gupta	42,00,000	-	42,00,000	59,48,016
Shri Susheel Kumar Gupta	42,00,000	-	42,00,000	32,19,699
Shri R. Malhotra	4,80,000	-	4,80,000	Nil
Shri M.Srikanth Reddy	-	65,000	65,000	Nil
CA. P. Vikram	-	95,000	95,000	Nil
CA Alka Zanwar	-	90,000	90,000	Nil
CA Pankaj Kumar Trivedi	-	-----	-----	Nil

**4. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the year April, 2018 to March, 2019, Four (4) Stakeholders Relationship Committee Meetings were held. The dates on which the said meetings were held are 29.05.2018, 13.08.2018, 13.11.2018 and 14.02.2019.

**COMPOSITION AND ATTENDANCE FOR MEETINGS:**

Name	Designation	Category	Number of meetings during the year 2018-2019	
			Held	Attended
CA.P.Vikram*	Chairman	Independent, Non-Executive	4	4
Shri M. Srikanth Reddy**	Member	Independent, Non-Executive	4	3
CA Alka Zanwar	Member	Independent, Non-Executive	4	4
CA Pankaj Kumar Trivedi***	Member	Independent, Non-Executive	-	-

\*w.e.f 27.05.2019 as Chairman

\*\* till 27.05.2019 was Chairman.

\*\*\*appointed from 26.03.2019

**NAME AND DESIGNATION OF COMPLIANCE OFFICER**

Mr. S. Nagarajan, Company Secretary of the Company is the compliance officer of the Company.

## Corporate Governance Report (Contd.)

## DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2018-2019:

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2019
Pending at the beginning of the year	Nil
Received during the year	Nil
Disposed of during the year	Nil
Remaining unresolved at the end of the year	Nil

**RISK MANAGEMENT COMMITTEE:**

The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Regulation 21 of SEBI (LODR) Regulations, 2015

**A. ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:**

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

**COMPOSITION:**

The composition of the Risk Management Committee as under:

Name	Designation	Category
Shri Vijay Kumar Gupta	Chairman	Managing Director
Shri M. Srikanth Reddy	Member	Independent, Non-Executive
Shri C.A P. Vikram	Member	Independent, Non-Executive
Smt C.A Alka Zanwar	Member	Independent, Non-Executive

No meeting held during the year 2018-2019.

## Corporate Governance Report (Contd.)

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

In compliance with the provisions of the Companies (Corporate Social Responsibility Policy) Rules 2013, the Company constituted a Corporate Social Responsibility Committee. One meeting was held during the year on 22<sup>nd</sup> February, 2019. The Corporate Social Responsibility Committee, formed under Section 135 of the Companies Act, 2013,

**COMPOSITION:**

The composition of the Corporate Social Responsibility Committee as under:

Name	Designation	Category
Shri Vijay Kumar Gupta	Chairman	Managing Director
Shri Susheel Kumar Gupta	Member	Whole-time director & CFO
Shri C.A P. Vikram	Member	Independent, Non-Executive

**GENERAL BODY MEETINGS:****LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:**

Financial Year	Date	Time	Venue	Special Resolution Passed
2015-2016	29.09.2016	11.00 A.M.	FTAAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500004.	Yes
2016-2017	26.09.2017	11.00 A.M.	FTAAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500004.	Yes
2017-2018	28.09.2018	10.00 A.M	J.S.Krishna Murthy Hall, The Federation of Telangana and Andhra Pradesh Chamber of Commerce & Industry, The Federation House. 11-9-84, Red Hills, Hyderabad- 500004	Yes

No Extra-ordinary General Meetings / Postal ballot was held during the year 2018-2019.

**DISCLOSURES:****MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:**

During the year under review, the Company had not entered in to any materially significant transaction with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

**COMPLIANCES:**

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

**WHISTLE BLOWER POLICY:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI Regulations 2015 and in terms of Section 177 of the Companies Act, 2013

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person has been denied access to the Chairman of the Audit Committee.

**CODE OF CONDUCT:**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

**DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2018-2019:**

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March, 2019 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015.

**CEO/ CFO CERTIFICATION:**

The Managing Director and CEO/ CFO certification of the financial statements as specified in Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year 2018-2019 is provided elsewhere in this Annual Report.

**COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

**Corporate Governance Report (Contd.)**

The Company has an Executive Chairman and the Board is having required number of Independent Directors.

The financial Statements are free from any Audit Qualifications.

**NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**RECONCILIATION OF SHARE CAPITAL:**

A qualified Practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 133 of the Companies Act, 2013.

**MEANS OF COMMUNICATION:**

- i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Regulation 33 of SEBI (LODR), Regulations, 2015 within forty five days/sixty days of the close of the respective period.
- ii. The approved financial results are forthwith sent to the listed Stock Exchanges and are published in the newspapers namely, Business Standard and Nava Telangana within forty-eight hours of approval thereof.
- iii. As the Company's quarterly/half yearly financial results are published in press, the same are not mailed to the Shareholders.
- iv. These financial statements, press releases are also posted on the Company's website vijaytextiles.in

**GENERAL SHAREHOLDERS INFORMATION:**

•	Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L18100TG1990PLC010973.
•	Date	27 <sup>th</sup> September, 2019
•	Time	10.15 A.M

**Corporate Governance Report (Contd.)**

•	Venue of AGM	FTCCI Surana Auditorium The Federation of Telangana Chamber of Commerce & Industry, Federation House: 11-6-841, Red Hills, Hyderabad - 500 004.
•	Financial Calendar	1 <sup>st</sup> April to 31 <sup>st</sup> March.
•	Tentative Schedule for considering Financial Results:	
•	For the Quarter ending June,2019	July/August,2019
•	For the Quarter ending September, 2019	October/ November,2019
•	For the Quarter ending December,2019	January/ February,2020
•	For the Quarter/year ending March,2020	April/ May,2020
•	Date of Book Closure	21.09.2019 to 27.09.2019
•	Dividend Payment date	--
•	Listing on Stock Exchanges	BSE Limited
•	Scrip Code	530151
•	ISIN Number for NSDL & CDSL	INE256G01033
•	Payment of annual listing fees to stock exchanges	Paid to BSE, where the shares of the Company are listed
•	Plant Location	Survey No: 139 to 141 & 143 Village Rajapoor, Rajapoor Mandal,Dist.: Mahaboobnagar, Telangana – 509 202.
•	Address for correspondence:	To be addressed to: Aarthi Consultants Pvt Ltd. 1-2-285, Domalguda, Hyderabad-500029 Phone: 040-27638111, 27634445 Fax: 040-27632184 Email: <a href="mailto:info@aarthiconsultants.com">info@aarthiconsultants.com</a> Web: <a href="http://www.aarthiconsultants.com">www.aarthiconsultants.com</a> .
•	Investor Correspondence / Query on Annual Report, etc.	S. Nagarajan Company Secretary Vijay Textiles Limited Ground Floor, Surya Towers, 104, Sardar Patel Road Secunderabad - 500 003. Ph. No. 040-27848479, 27844086 Fax: 040-27846849 Email: <a href="mailto:Info@vijaytextiles.in">Info@vijaytextiles.in</a> Web: <a href="http://www.vijaytextiles.in">www.vijaytextiles.in</a>
•	Registrars & Transfer Agents	Aarthi Consultants Private Limited 1-2-85, Domalguda, Hyderabad – 500029, Phone: 040-27638111, 27634445, Fax: 040-2763218 Email: <a href="mailto:info@aarthiconsultants.com">info@aarthiconsultants.com</a>



## Corporate Governance Report (Contd.)

•	Total fee's for all services paid by the listed entity to the Statutory Auditors	₹ 4,50,000/-
•	The Company in compliance with Corporate Governance Requirements specified in Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46.	

**Share Transfer System:**

The Company's Shares are traded on BSE Limited, compulsorily in the dematerialized form. Transfer of these shares is done through depositories with no involvement of the Company. However, all requests received for transfer of shares for off market transaction in physical form furnishing with a copy of PAN card of the transferee(s) in compliance with the SEBI circular in that behalf, are processed by the Registrars and Transfer Agents. The Share Transfers are registered and returned within a period of 15 day from the date of lodgement, if documents are complete in all respect.

All matters pertaining to share transfer in physical form are handled by the Registrars and Share Transfer Agents M/s. Aarthi Consultants Pvt Ltd, Hyderabad, who is Registrar to the Company. The share transfer requests are processed by them and a transfer register is sent to the Company for approval once in a fortnight. There were no share transfers pending as on 31st March, 2019.

Outstanding GCRs/ADRs/Warrants or any convertible instruments, Conversion date and likely impact of equity: We have no GDRs/ADRs or any commercial instrument.

**Market price data:**

Monthly High/Low of market price of the Company's shares traded on the BSE Limited.

S. No.	Month	High (₹)	Low (₹)
1	April, 2018	46.50	39.50
2	May, 2018	60.00	41.10
3	June, 2018	62.00	51.10
4	July, 2018	59.00	48.00
5	August, 2018	59.00	47.00
6	September, 2018	65.00	48.00
7	October, 2018	52.40	40.30
8	November, 2018	52.90	42.00
9	December, 2018	47.00	40.00
10	January, 2019	45.85	34.00
11	February, 2019	42.00	28.20
12	March, 2019	39.00	25.60

## Corporate Governance Report (Contd.)

SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2019:

Category of Shareholder	Total Number of shares	% of share holding	Shares pledged or otherwise encumbered	
			Number of Shares	As a percentage
(A) Shareholding of Promoter and Promoter Group				
(1) Indian				
a. Individuals/Hindu Undivided Family	1,06,70,045	69.78	68,80,045	64.48
b. Central Government/State Government(s)	--	--	--	--
c. Bodies Corporate	--	--	--	--
d. Financial Institutions/Banks	--	--	--	--
Others :-	--	--	--	--
e. Mutual Funds	--	--	--	--
f. Trusts	--	--	--	--
<b>Sub Total (A)(1)</b>	<b>1,06,70,045</b>	<b>69.78</b>	<b>68,80,045</b>	<b>64.48</b>
(2) Foreign				
a. Individuals (Non Resident Individuals/ Foreign Individuals)	--	--	--	--
b. Bodies Corporate	--	--	--	--
c. Institutions	--	--	--	--
Others :-	--	--	--	--
d. Overseas Corporate Bodies	--	--	--	--
Sub Total (A)(2)	--	--	--	--
<b>Total Shareholding of Promoter and Promoter Group</b>	<b>1,06,70,045</b>	<b>69.78</b>	<b>68,80,045</b>	<b>64.48</b>
<b>(A)=(A)(1)+(A)(2)</b>	<b>1,06,70,045</b>	<b>69.78</b>	<b>68,80,045</b>	<b>64.48</b>
(B) Public Shareholding			--	--
(1) Institutions	--	--	--	--
a. Mutual Funds/UTI	--	--	--	--
b. Financial Institutions/Banks	--	--	--	--
c. Central Government/State Government(s)	--	--	--	--
d. Venture Capital Funds	--	--	--	--
e. Insurance Companies	--	--	--	--

**Corporate Governance Report (Contd.)**

Category of Shareholder	Total Number of shares	% of share holding	Shares pledged or otherwise encumbered	
			Number of Shares	As a percentage
Foreign Institutional Investors	--	--	--	--
g. Foreign Venture Capital Investors	--	--	--	--
h. Foreign Companies	--	--	--	--
<b>Sub Total (B)(1)</b>	--	--	--	--
(2) Non-Institutions			--	--
a. Bodies Corporate	4,16,906	2.72	--	--
b. Individuals			--	--
i) Individual shareholders holding nominal share capital upto ` 2 lakh	24,72,017	16.18	--	--
ii) Individual shareholders holding nominal share capital in excess of ` 2 lakh	16,27,030	10.64	--	--
c. Any Others : -			--	--
i) Non Resident Individuals	45,396	0.30	--	--
ii) Overseas Corporate Bodies	--	--	--	--
iii) Trusts	--	--	--	--
iv) Employees	--	--	--	--
v) Clearing Members	58,606	0.38	--	--
vi) Foreign Nationals	--	--	--	--
vii) NBFCs registered with RBI	--	--	--	--
<b>Sub Total (B)(2)</b>	<b>46,19,955</b>	<b>30.22</b>	--	--
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>46,19,955</b>	<b>30.22</b>	--	--
<b>Total (A)+(B)</b>	<b>1,52,90,000</b>	<b>100</b>	<b>68,80,045</b>	<b>64.48</b>
(C) Shares held by Custodians and against Depository Receipts have been Issued	--	--	--	--
<b>Grand Total (A)+(B)+(C)</b>	<b>1,52,90,000</b>	<b>100</b>	<b>68,80,045</b>	<b>64.48</b>

## Corporate Governance Report (Contd.)

## Distribution of Shareholding as on 31.03.2019:

No. of equity Shares held	No. of Shareholders	%	No. of Shares	%
1 to 5000	7896	91.35	758076	4.96
5001 to 10000	322	3.73	251995	1.65
10001 to 20000	173	2.00	253660	1.66
20001 to 30000	67	0.77	170844	1.12
30001 to 40000	37	0.43	133191	0.87
40001 to 50000	26	0.30	121651	0.79
50001 to 100000	51	0.59	402037	2.63
100001 and above	72	0.83	13198546	86.32
<b>Grand Total</b>	<b>8644</b>	<b>100.00</b>	<b>15290000</b>	<b>100.00</b>

## DEMATERIALISATION &amp; LIQUIDITY OF SHARES:

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE256G01033. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	1,11,59,037	72.98
CDSL	19,52,595	12.78
Physical	21,78,368	14.24
<b>Total</b>	<b>1,52,90,000</b>	<b>100.00</b>

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal ) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received during the financial year: Nil
- No. of complaints disposed off during the financial year: Nil
- No. of complaints pending at the end of the financial year: Nil

**Corporate Governance Report (Contd.)**

**GREEN INITIATIVE IN THE CORPORATE GOVERNANCE**

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited financial Statements, Auditors Report, Dividend intimations etc., by email Physical copies are sent only to those shareholders whose email addresses are not registered with the Company and for bounced mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic form or inform the Company, in writing, in case they wish to receive the above documents in paper mode.

For and on behalf of the Board  
Vijay Textiles Limited

Sd/-  
Vijay Kumar Gupta  
Chairman & Managing Director  
DIN: 01050958

Place: Secunderabad  
Date: 24.07.2019

**Practicing Company Secretary's Certificate on Independent Directors**

To the Members of  
**Vijay Textiles Limited**

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

For S.S. Reddy & Associates

Sd/-  
S. Sarveswar Reddy  
Proprietor  
M. No. A12611, C.P. No: 7478

Place: Hyderabad  
Date: 24.07.2019

## Corporate Governance Report (Contd.)

**Disclosure with Respect to Demat Suspense Account/ Unclaimed Suspense Account:**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the Company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
Nil	Nil	Nil	Nil

**Depository Services:**

For guidance on Depository services, shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd, Trade World, 4 <sup>th</sup> Floor, Kamala Mills Compound, SenapatiBapatMarg, Lower Patel, Mumbai - 400 013. Tel: 022-24994200 Fax: 022-24972993/24976351 Email: info@nsdl.co.in	Central Depository Services (I) Ltd. PhirozeJeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai- 400 023. Tel: 022-22723333, 022-22723224 Fax: 022-22723199 Email: <a href="mailto:investors@cdslindia.com">investors@cdslindia.com</a>
Nomination Facility :	Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under the provisions of the Companies Act, 2013 are requested to submit to the RTA in the prescribed form for this purpose.
Company's Policy on prevention of insider trading :	Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company had framed a Code of Conduct for prevention of insider trading. Shri S. Nagarajan, Company Secretary, has been appointed as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company, who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE, DEVELOPMENTS AND PERFORMANCE:**

The furnishing industry has made rapid strides and grown in size and stature over the years, largely influenced by changing consumer tastes and mass appeal. There is continuous growth in housing and infrastructure sectors, which in turn play catalyst in the growth of this industry. In global scenario this industry has shown significant growth in the recent past. Overall economic changes coupled with increase in general spending power has propelled the consumers to splurge more money on furnishing and in embellishing their homes and offices. Current trends do support further growth potential of this segment and the Company is making concerted efforts to capitalize on the same. The Company, taking a cue from all round growth witnessed by the furnishing industry, has cemented its place as a large player in the domestic arena. The Company's core strength has been its well established pan India dealer network for wholesale, 5 world class large format retail stores strategically located in the twin cities of Hyderabad and Secunderabad and fine blend of infrastructure to navigate new markets for business development. The major clientele consists of NRIs, reputed institutes, corporate customers and people from by far from all the strata of the society.

The Company has engaged itself in continuous innovation of products which caters to all the segments that matter, mainly on the strength of its quality products with wide range of hues, quality and price choices.

The Company has a state of the art and most modern Embroidery Unit within its factory premises initially set up in the year 2009, which has 40 fully automatic embroidery machines imported from Japan. In-house embroidery unit extends an edge to the Company in adding value to its increasingly popular products thus inducing increased demand for embroidered fabric. Embroidered furnishing fabric and bed linen have together enabled the Company to increase its stronghold and thus seize a sizeable market share too.

The Company believes in policy of continuing innovation and improvisation in quality of its products, which are indeed its hallmarks; that has enabled the Company to extend its market reach and capture a sizeable market share.

**OPPORTUNITIES AND THREATS:**

Though the furnishing fabric market is ever growing one yet it has witnessed a radical change in consumer tastes and liking due to changing life styles in line with changing times. The economic changes and liberalization has played a big role in enhancing the living standards and is also instrumental to a large extent in adding up to general spending power. The boom in housing sector has indeed added spice to peoples' tastes and their zest for sophistication. The Company operates in a highly competitive environment but its competence and core experience has helped it in keeping pace with the developments around.

The Company does not foresee any immediate threat to its domain merely because of size of its operations. Being a manufacturer, a wholesaler and its retail operations all skewed together under one umbrella are in fact the key factors that other competitors find it difficult to dislodge the Company from its leadership position. Constant innovation has helped the Company too in retaining the edge in the contemporary markets to sustain growth.

The furnishing industry has by and large has been able to withstand the market slow down at times and fluctuation in prices of essential raw materials to a considerable extent. The Company has kept pace with the advancements around and forged its synergies in innovating techniques and competes well in design and development of its range of products to beat the competition, persistent with constant improvisation, astute pricing policy and highest quality standards.

**Management Discussion and Analysis Report (Contd.)****SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:**

Segments are identified having regard to the dominant source and nature of risks and returns and internal organization and management structure. The Company has considered business segments as the primary segments for disclosure.

The Company does not have any geographical segment.

**OUTLOOK:**

The industry is witnessing all-round growth in the global scenario, which is coupled with rise in demand in the housing and infrastructure. Changing life styles and people's acumen to spend more on this luxury and necessity alike are the key factors in its growth pattern too. These factors will help the Company to achieve its projected growth outlined for the future. General and persistent economic slowdown due to various external factors affecting the markets, is in fact a disheartening factor and is not allowing the contemporary markets to swing back in to revival mode, yet the Company through its aggressive marketing strategy is trying to overcome it in a good measure. This augurs well for your Company in changing its outlook to positive for the current financial year. With increased focus on enhancing its product portfolio and introduction of new range of embroidered fabrics, your Company is well poised to grow at the expected pace and show consistent results.

The Company plans to continue its thrust in retail segment aimed at further ensuring a horizontal growth and to extend its reach to the untapped segments that will help in achieving its long term goals besides ultimately allowing the Company to the stage of consolidation.

**RISKS AND CONCERNS:**

The Company remains apprehensive of the market environment and the conditions of general economic slowdown and downturn, which is not allowing the contemporary markets to go in to revival mode. Market buoyancy and fluctuating prices of raw materials are key concerns, which are to be addressed appropriately at crucial stages to ensure projected growth. The Company is hopeful that by constantly bringing in new products through innovation and employing new marketing strategies will greatly help it in mitigating the adverse impacts apprehended thus. Industry by and large continues to witness a general economic slowdown which is in fact a decisive factor impairing growth.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an adequate internal control system which commensurate with the size and nature of its business. The internal control system is being supported by internal audits, regular reviews by management to ensure reliability of financial and all other records to prepare financial statements and other data. Further the Audit Committee of the Board review the findings and recommendations of the internal audit and suitable implementations are affected

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The Company achieved a gross turnover of ` 9485. 24 Lakhs during the year and net profit of ` 301.47 during the year under review. The Company has overcome the lean spell witnessed in the last couple of years and produced much better results in the year under review.

The Company hopes to continue its good run and sustained growth in the current financial year and years to follow. Evidently in the current financial year the Company is really beginning to feel an improvement in the market scenario and truly hopes that this trend continues thus helping it in overcoming the obstacles that have been impacting its growth. The Company is pushing up its marketing synergies to gain access to newer



**Management Discussion and Analysis Report (Contd.)**

markets with its product innovation strategies, improvement in overall operations and introduction of new range of products in line with prevalent trends that will help it to sail well in the ensuing financial year.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

There are no material developments in the Human Resources area. The Industrial relations have been considered to be satisfactory. The Company constantly reviews the manpower requirements and effective steps are being taken to meet the requirements. The total number of people directly and indirectly employed by the Company is 312.

**DETAILS OF SIGNIFICANT CHANGES (I.E CHANGES OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) ON KEY FINANCIAL RATIOS ALONG WITH DETAILED EXPLANATIONS THERE FOR.**

There are no significant changes of 25% or more during the year under review when compared to previous financial year.

The key financial ratio's are as under:-

1	Debtors Turnover Ratio	1.50:1
2	Inventory Turnover Ratio	1.47:1
3	Interest Coverage Ratio	1.10:1
4	Current Ratio	1.48:1
5	Debt Equity Ratio	14.15:1
6	Operation Profit Margin(%)	1.15%
7	Net Profit Margin (%)	3.21%

**DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.**

During the year under review, the Return on Net Worth is only 19.90% when compared to the previous year of 600.87%. The reason for the drastic downfall is due to lower turnover on account of general downfall in the industry and also due to increase in Share Capital.

**DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

**NOTE:**

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known/unknown expected or otherwise may influence the financial results. We do not expect these statements to be updated or revised to take care of any changes in the underlying presumptions.

Readers may therefore appreciate the context in which these statements are made before making use of the same.

## ANNEXURE-VII

The details of remuneration during the year 2018-2019 as per Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2015 are as follows:

Sl. No	Disclosure Requirement	Disclosure Details	
i.	Ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the Financial year	<b>Executive Directors</b>	<b>Ratio to median remuneration</b>
		Shri Vijay Kumar Gupta	25.01:1
		Shri Susheel Kumar Gupta	25.01:1
		Shri R. Malhotra	11.43:1
ii.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% increase in remuneration in the financial year</b>
		Shri Vijay Kumar Gupta	NIL
		Shri Susheel Kumar Gupta	NIL
		Shri R. Malhotra	NIL
		Shri S. Nagarajan	NIL

Note: During the year 2018-2019, Non-Executive/Independent Directors being paid only sitting fees for the meeting attended by them.

- iii. Percentage increase in the median remuneration of employees in the financial year 2018-2019:  
2.98 % increase in the median remuneration of employees for the year 2018-2019
- iv. Number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2019: 165.
- v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**  
The average annual increase in salaries of employees was Nil %.  
Increase in the managerial remuneration for the year was Nil %.
- vi. **Affirmation that the remuneration is per the remuneration policy of the Company:**  
The Company is in compliance with its remuneration policy.

**ANNEXURE TO  
DIRECTORS' REPORT**

**VIJAY TEXTILES LIMITED**

Annexure –VIII

Statement showing the names of the Top Ten Employees in terms of Remuneration drawn as per Rule 5 (3) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

S No	Name of the Employee	Designation of the employee	Remuneration received	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of the employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1	Vijay Kumar Gupta	Managing Director	42,00,000	Regular	B.Com	01.04.1990	69 Years	Nil	5948019	- NIL -
2	Susheel Kumar Gupta	Executive Director	42,00,000	Regular	B.Com	17.06.1994	44 Years	Nil	3219699	S/o of Shri Vijay Kumar Gupta Managing Director
3	S. Nagaarajan	Company Secretary	19,20,000	Regular	B.Com., Acs	01.02.1995	62 Years	Nil	1200	- NIL -
4	Jonnalagadda Ravi Shankar	Manager Accounts	5,63,160	Regular	B com, 17 Years	26.12.2002	51 Years	Pragna Software Ltd	900	- NIL -
5	Mukesh Gandhi	Chief Manager Operations	5,43,000	Regular	IIT Mechanical, 2 Years	03.10.2017	65 Years	Harish Textiles	- NIL -	- NIL -

**ANNEXURE TO  
DIRECTORS' REPORT**

**VIJAY TEXTILES LIMITED**

S No	Name of the Employee	Designation of the employee	Remuneration received	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of the employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
6	S Mahalakshmi	Sales Manager	4,80,000	Regular	Msc, 23 Years	01.02.1995	58 Years	- NIL -	- NIL -	- NIL -
7	J Chandu Naik	Senior Boiler Operator	4,36,2000	Regular	Intermediate, 6 Years	01.07.2013	40 Years	Agarwal Ltd	- NIL -	- NIL -
8	Ram Niwas	Chief Security Officer	3,87,540	Regular	9th class, 13Years	01.01.2006	53 Years	- NIL -	- NIL -	- NIL -
9	Chotu Ram	Senior Administration Manager	3,87,360	Regular	6th class, 13 Years	01.01.2006	54 Years	Nil	Nil	Nil
10	Jarupla Lalya	Boiler Operator	3,76,200	Regular	Graduate, 3 Years	01.09.2015	40 Years	Nil	Nil	Nil
11	R.Malhotra *	Finance Director	4,80,000	Regular	MBA	24.04.2003	64 Years	Nil	Nil	Nil

- Resigned w.e.f 23.07.2018



**CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY**

To

The Board of Directors  
Vijay Textiles Limited  
Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2019 and to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b. These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the Company's internal control system.

For and on behalf of the Board  
**For Vijay Textiles Limited**

Place: Hyderabad  
Date: 24.07.2019

Sd/-  
**Vijay Kumar Gupta**  
Managing Director

Sd/-  
**Susheel Kumar Gupta**  
Chief Financial Officer

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members

Vijay Textiles Limited

We have examined the compliance of conditions of Corporate Governance by Vijay Textiles Limited ('the Company'), for the year ended 31<sup>st</sup> March 2019, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Laxminiwas & Co**  
Chartered Accountants  
Firm's Registration No. 0111685

Hyderabad  
27<sup>th</sup> May, 2019

Sd/-  
**Vijay Singh**  
Partner  
Membership Number: 221671

TO  
THE MEMBERS OF  
**VIJAY TEXTILES LIMITED**

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

**Opinion**

We have audited the accompanying Standalone financial statements of Vijay Textiles Limited (the 'Company') which comprise the Balance Sheet as at 31 March, 2019, the Statement of Profit and loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash flow for the year ended on that date, and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 2015, as amended, ("Ind As") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Key Audit Matter**

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

S.No	Key Audit Matters	Auditors response
1	<b><u>Provision for Bad and Doubtful debts</u></b> Amounts are receivable from few debtor outstanding for more than 365 days. Creation of Provision for Bad and Doubtful debts involves significant management judgment about recoverability of receivables from Debtors.	Amounts due for more than 365 days is attributable to general downfall in the industry. Management is confident that amount will be recovered in the due course as the business is showing signs of good pick up and till date there has been no default done by any party
2	<b><u>Delay in Payment of loan installments</u></b> Generally all the term loan installments are duly paid with minute delay, the installment for the month of Jan'19, Feb'19 & March'19 was not paid on the due date.	On verification it was found that installment for the month of Jan'19 and Feb'19 was paid subsequently, however the management has confirmed that the installment for the month of Mar'19 will duly be repaid shortly.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report and Chairman's statement, but does not include the financial statements and our auditor's report thereon. The Management Report and Chairman's Statement is expected to be made available to us after the date of this Auditor's Report.

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

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

When we read the management report and chairman's statement, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The respective Board of Directors of the Company are responsible for maintenance of the adequate accounting records for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Company are 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 of the Company are responsible for overseeing the financial reporting process of the Company.

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

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

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



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

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

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

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

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

**Report on Other Legal and Regulatory Requirements**

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

1. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the IND AS specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24.1 to the financial statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any 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 Laxminiwas & Co.  
Chartered Accountants  
Firm's Registration Number: 011168S

Hyderabad  
27<sup>th</sup> May, 2019

Sd/-  
Vijay Singh  
Partner  
Membership Number: 221671

**Annexure A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the Members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2019, we report that:

- (i).
  - a. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. All the assets are not physically verified by the Management during the year as there is a phased programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii). The inventory has been physically verified on sample basis by the management during the year. The discrepancies noticed on verification between the physical stocks and the book/records were not material, nevertheless those have been dealt properly within the books of accounts.
- (iii). According to the information and explanations given to us, the Company has not granted any 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. Accordingly, para 3(iii) (a), (b) and (c) of the order are not applicable.
- (iv). In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- (v). In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi). We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-Section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii).
  - a). According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Customs duty, Cess, Goods and Service Tax and any other statutory dues applicable to it as on 31<sup>st</sup> March 2019.
  - b). According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess, Goods and Service Tax and other material statutory dues were in arrears as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable.

Type of Dues	Assessment year	Amount Outstanding as on 31.03.2019	Amount Outstanding as on 31.03.2018	Appeal Pending with
Income Tax	2009-10	88,36,190	88,36,190	CIT Appeals – IV

- c). According to the information and explanations given to us, there are no dues of Income tax, Customs duty and Goods and Service Tax which have not been deposited with the appropriate authorities on account of any dispute except as under:
- (viii). According to the information and explanation given to us, the Company has defaulted in following repayment of dues to bank as at balance sheet date: -

Particulars	Month of default	Amount of default as at the balance sheet date	Remarks, if any.
Axis	Jan'19	16,80,000	Paid in Month of Apr'19
	Feb'19	16,80,000	Paid in Month of May'19
	Mar'19	16,80,000	Will be paid in following month
SBI	Jan'19	88,12,000	Paid in Month of Apr'19
	Feb'19	88,12,000	Paid in Month of May'19
	Mar'19	88,12,000	Will be paid in following month
SBI	Jan'19	29,24,032	Paid in Month of Apr'19
	Feb'19	29,24,032	Paid in Month of May'19
	Mar'19	29,24,032	Will be paid in following month
<b>Total</b>		<b>4,02,48,096</b>	

- (ix). The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x). According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii). In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii). According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv). According to the information and explanations given to us and based on our examination of the records of the Company,
- The Company has made preferential allotment of 21,65,000 equity shares pursuant to Conversion of warrants as against the allotted 65,95,000 warrants.
  - The Company has made private placement of 5,00,000 convertible warrants during the year under review,
- (xv). We further report that, the requirement of section 42 of the Act, as applicable, have been complied with; and the amount raised have been applied by the Company during the year for the purposes for which the funds were raised.
- (xvi). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvii). The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For Laxminiwas & Co.  
Chartered Accountants  
Firm's Registration Number: 0111685

Sd/-  
VijaySingh  
Partner  
Membership Number: 221671

Hyderabad  
27<sup>th</sup> May, 2019.

## **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 **Vijay Textiles Limited** ("the Company") as of 31<sup>st</sup> March 2019 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**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<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Laxminiwas & Co.  
Chartered Accountants  
Firm's Registration Number: 011168S

Hyderabad  
27<sup>th</sup> May, 2019.

Vijay Singh  
Partner  
Membership Number: 221671

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES****1.1. Corporate Information**

Vijay Textiles Limited ("the Company") is a public domiciled in India and incorporated under the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange Limited in India. The Company is engaged in the manufacturing of Textiles.

**1.2. Basis of Preparation and Presentation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies Accounting Standard (Amendment Rules 2016).

**1.3. PREPARATION OF FINANCIAL STATEMENTS****a) Basis of Accounting**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013.

The Financial statements have been prepared on historical cost basis except for certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2.

**b) Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements are in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The management believes that the estimates used in preparation of financial statements is prudent and reasonable.

Estimates and underlying assumptions are reviewed at each reporting date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future period is effected.

**c) Current/ Non-Current Classification**

The Company presents Assets and Liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

**1.4. PROPERTY , PLANT AND EQUIPMENT**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, non refundable taxes and directly attributable cost of bringing the asset to its present location and condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work in progress includes cost of property, plant and equipment under installation /under development as at the Balance Sheet date. Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and Gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence. The asset residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as "Capital Advance" under Other Non-Current Assets.

Depreciation on the property, plant and equipment is provided over the useful life of asset as specified in schedule II to the Companies Act 2013. Property, plant and equipment which are added/ disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/ deletion. In case of the following category of property, plant and equipment, the depreciation has been provide based on the technical evaluation of the remaining useful life which is different from the one specified in schedule II to the Companies Act 2013. Any Capital Expenditure costing ` . 5,000 or less are treated as a Revenue Expenditure and recognized in the Statement of Profit and Loss in the year in which it is incurred.



Depreciation on assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are amortized over the duration of the lease.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably.

Intangible assets are stated at cost or acquisition less accumulated amortization and impairment loss, if any.

Intangible assets including software is amortized over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

#### **Subsequent cost**

Subsequent costs incurred for replacement of a major component of an asset should be included in the asset's carrying cost or recognized as a separate asset, as appropriate. The carrying value of the replaced component should be recognized to Statement of Profit and Loss when replaced.

#### **De-recognition**

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

### **1.5. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

#### **a) Interest income**

Interest Income from financial asset is recognized when it is probable that the economic benefits flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

#### **b) Other income**

Revenue in respect of other income is recognized when a reasonable certainty as to its realization exists.

**1.6. LEASES**

- (a) Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statements of Profit and Loss on accrual basis.
- (b) Assets created on the leasehold property are depreciated over the period of the lease.

**1.7. INVENTORIES**

- (a) Raw Materials, work in progress, finished goods, packing materials, stores, spares, consumables and stock-in-trade are carried at the lower of cost and net realizable value.
- (b) In determining cost of raw materials, packing materials, stock-in-trade, stores, spares and consumables, First-In-First-Out method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- (c) Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.
- (d) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

**1.8. RETIREMENT BENEFITS TO EMPLOYEE**

**(a) Defined Contribution Plan:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the Statement of Profit and Loss for the year when the contributions are due.

**(b) Defined Benefit Plan:**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- (i) The date of the plan amendment or curtailment, and
- (ii) The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine Settlements; and
- (ii) Net interest expense or income

#### 1.9. FOREIGN CURRENCY TRANSACTIONS AND BALANCES

##### (a) Initial Recognition

Foreign currency transactions are recorded using the exchange rates prevailing on the date's respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

##### (b) Measurement of foreign currency items at the Balance Sheet date

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognized in the Statement of Profit and Loss. Non-Monetary assets are recorded at the rates prevailing on the date of the transaction.

#### 1.10. BORROWING COSTS

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost, if any.

Borrowing costs, which are directly attributable to the acquisition/construction of fixed assets, till the time such assets are ready for intended use, are capitalized as part of the costs of such assets. Other Borrowing costs are recognized as expenses in the year in which they are incurred.

#### 1.11. EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, 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 items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate. to equity shareholders and the weighted average number of shares outstanding during

the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date.

#### 1.12. TAXATION

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

##### (a) Current Income Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### (b) Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- (i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

### **1.13. IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### **1.14. PROVISIONS AND CONTINGENCIES**

A provision is recognized when the Company has a present obligation as a result of 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

Contingent Assets are neither recognized nor disclosed in the financial statements.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

### 1.15. FINANCIAL INSTRUMENTS

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

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement

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

- (i) Debt instruments at amortized cost.
- (ii) Debt instruments at fair value through other comprehensive income (FVTOCI).
- (iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

##### Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows,  
And
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

##### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from

OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

**De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Group's consolidated balance sheet) when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) The Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**De-recognition**

A financial liability is de-recognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially

different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS.



**NOTE 2: NOTES TO ACCOUNTS**

**2.1. Contingent Liability and Commitments (to the extent not provided for)**

**(a) Contingent Liability not provided for in respect of claims against the Company not acknowledge as debts:**

(i). Counter Guarantee given to Bankers towards the Bank Guarantee ` 49,31,000/- Lakhs. (Previous year ` 63,10,000/- Lakhs).

**(ii). Export Obligation**

Particulars	Amount	Period (in yrs)	Ending On	Remarks
Export Obligation for concessional duty availed for import of machinery	9,39,30,216	8	07 <sup>th</sup> April 2018	The Company submitted necessary application to Additional Director General of Foreign Trade, Hyderabad for extension of further period of 2 years vide our Letter dated:4 <sup>th</sup> April,2018. Necessary approval is awaited.
	11,36,33,520	8	28 <sup>th</sup> November 2019	NIL

**(iii). Income Tax Matters**

Assessment year	Amount Outstanding as on 31.03.19	Amount Outstanding as on 31.03.18	Appeal Pending with
2009-10	88,36,190	88,36,190	Appeal filed before ITAT by the Company was allowed. Subsequently AO has raised a fresh demand for payment of tax against the Company. Aggrieved by this order the Company has filed an appeal before CIT Appeals – IV on 29.04.2016 and the same was allowed in its favor. Consequently, department has preferred an appeal before ITAT, which is pending for disposal.

**(b) Labour Court Award**

Labour Court III, Hyderabad had passed an award vide G.O. Rt. No. 223 dated 23 March 2017 in I.D. No. 17 of 2010, in favor of Balaji Vishnu Patil ex-employee working under Job Worker at the Company's Rajapoor unit and directed the Company to pay an amount of ` 2,50,000/- towards retrenchment compensation in lieu of the reinstatement to Balaji Vishnu Patil. The

Company has preferred an appeal before AP & Telangana High Court, Hyderabad bearing reference no. WPMP No. 31873 of 2017 in WP No. 25695 of 2017 against the said award. High Court has granted interim stay vide its order dated 02 August, 2017 on the condition the Company depositing one third of the awarded amount and the Company has complied with the condition.

**(c) Commitments**

Estimated amount of liability on account of Capital Commitments of ` Nil. (Previous year ` Nil).

**2.2. (a) Raw Materials Consumed**

Type of Raw Material	Year 2018-2019	Year 2017-2018
(a) Grey Cloth	<b>12,93,82,488</b>	17,05,44,150
(b) Textile Fabrics	<b>12,09,27,787</b>	43,61,39,460
(c) Others	<b>3,52,93,042</b>	5,20,06,072
<b>TOTAL</b>	<b>28,56,03,317</b>	65,86,89,682

**(b) Trading Goods Purchased**

Type of Trading Goods	Year 2018-2019	Year 2017-2018
Textile Fabrics	<b>17,65,80,154</b>	4,68,30,685
Others	<b>1,73,56,101</b>	1,88,26,480
<b>TOTAL</b>	<b>19,39,36,255</b>	6,56,57,165

**(c) Turnover**

Particulars	Year 2018-2019	Year 2017-2018
<b>(i) Manufactured Goods</b>		
Textile Fabrics	<b>39,43,91,414</b>	85,95,73,639
Others	<b>5,40,52,557</b>	7,33,80,506
<b>(ii) Traded Goods</b>		
Textile Fabrics	<b>44,11,65,005</b>	10,71,35,371
Others	<b>2,99,15,102</b>	3,29,27,141
<b>TOTAL</b>	<b>91,95,24,078</b>	107,30,16,657

**(d) Stock**

Opening Inventory	Year 2018-2019	Year 2017-2018
<b>(i) Manufactured Goods</b>		
Textile Fabrics	<b>65,47,54,611</b>	54,34,01,967
Others	<b>6,16,66,400</b>	4,32,47,866
<b>(ii) Trading Goods</b>		
Textile Fabrics	<b>43,03,79,602</b>	36,59,05,000
Others	<b>3,96,26,314</b>	3,25,08,469
<b>TOTAL</b>	<b>118,64,26,927</b>	98,50,63,302
<b>Closing Inventory</b>		
	<b>Year 2018-2019</b>	<b>Year 2017-2018</b>
<b>(i) Manufactured Goods</b>		
Textile Fabrics	<b>70,27,99,414</b>	65,47,54,611
Others	<b>6,04,86,112</b>	6,16,66,400
<b>(ii) Trading Goods</b>		
Textile Fabrics	44,33,68,826	43,03,79,602
Others	<b>4,12,56,525</b>	3,96,26,314
<b>TOTAL</b>	<b>124,79,10,877</b>	118,64,26,927

**2.3. Expenditure in Foreign Currency**

Particulars	Year 2018-2019	Year 2017-2018
Traveling Expenses	<b>Nil</b>	90,135

**2.4. Earnings of Foreign Currency**

Particulars	Year 2018-2019	Year 2017-2018
FOB value of Exports	<b>26,15,784</b>	99,59,792

**2.5. Employee**

**Benefits:**

As per Ind AS 19 "Employee Benefits", the disclosures of Employee Benefits in the Accounting Standard are given below:

**Defined Contribution Plan:**

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognized ` 33.21 lakhs (Year ended 31 March, 2018 ` 36.42 lakhs) towards Provident Fund contributions and ` 15.67 lakhs (Year ended 31 March, 2018 ` 17.01) for the Employee State Insurance Scheme contribution in the statement to Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**Defined Benefit Plan:**

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognized each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up the final obligation. Reconciliation of opening and closing balances of Defined benefit obligation as below:

Particulars	Year 2018-19	Year 2017-18
<b>I. Assumptions</b>		
Discount Rate (per annum)	7.65%	7.46%
Expected Rate of Return on Plan Assets	7.65%	9.00%
Salary Growth Rate (per annum)	8.00%	8.00%
<b>II. Table Showing Change in Benefit Obligation</b>		
Liability at the beginning of the year	1,52,00,407	1,15,86,904
Interest Cost	11,08,157	8,38,761
Current Service Cost	12,85,152	16,36,270
Benefit Paid	(26,96,894)	(6,86,916)
Actuarial (gain)/loss on obligations	(7,06,125)	18,25,389
Liability at the end of the year	1,41,90,697	1,52,00,408
<b>III. Tables of Fair value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the Period	78,08,530	81,37,808
Expected Return on Plan Assets	(4,94,003)	6,23,548
Contributions	-	-
Benefit Paid	(26,96,894)	(6,86,916)
Actuarial gain/(loss) on Plan Assets	(3,21,739)	(2,65,910)
Fair Value of Plan Assets at the end of the year	52,83,630	78,08,530
Total Actuarial Gain/(Loss) to be Recognized	(3,21,739)	(2,65,910)

Particulars	Year 2018-19	Year 2017-18
<b>IV. Actual Return on Plan Assets:</b>		
Expected Return on Plan Assets	<b>4,94,003</b>	6,23,548
Actuarial gain/(loss) on Plan Assets	<b>(3,21,739)</b>	(2,65,910)
Actual Return on Plan Assets	<b>1,72,264</b>	3,57,638
<b>V. Amount Recognized in the Balance Sheet</b>		
Liability at the end of the year	<b>1,41,90,697</b>	1,52,00,408
Fair Value of Plan Assets at the end of the year	<b>52,83,630</b>	78,08,530
Difference	<b>89,06,797</b>	73,91,878
Net Assets/(Liabilities) Recognized in the Balance Sheet	<b>89,06,797</b>	73,91,878
<b>VI. Expenses Recognized in the Statement of Profit and Loss</b>		
Current Service Cost	<b>12,85,152</b>	16,36,270
Interest Cost	<b>11,08,157</b>	8,38,761
Expected Return on Plan Assets	<b>(494,003)</b>	(6,23,548)
Net Actuarial (Gain)/Loss to be Recognized	<b>(3,84,386)</b>	20,91,298
Expense Recognized in P& L	<b>15,14,920</b>	39,42,781
<b>VII. Balance Sheet Reconciliation</b>		
Opening Net Liability	<b>73,91,877</b>	34,49,096
Expense as above	<b>15,14,920</b>	39,42,781
Employer's Contribution	-	-
Amount Recognized in Balance Sheet	<b>89,06,797</b>	73,91,877

- 2.6. Borrowing cost capitalized during the year on various assets is ` Nil. (Previous year ` Nil).
- 2.7. The Company's operations mainly consist of only one segment-Textile Fabrics and therefore the figures as above relate to that segment.
- 2.8. **Fair Value Hierarchy**  
Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:  
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;  
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.  
Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Fair value hierarchy				
Particulars	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		Level 1	Level 2	Level 3
31-Mar-19				
<b>Financial Asset</b>	-	-	-	
Financial Liability				
Borrowings	25,82,17,332	25,82,17,332	-	-
Total	25,82,17,332	25,82,17,332	-	-
31-Mar-18				
Financial Asset	-	-	-	-
<b>Financial Liability</b>				
Borrowings	526,811,482	375,283,898	-	151,527,584
Total	526,811,482	375,283,898	-	151,527,584

**2.9. Related Parties Disclosures:**

Information of Related Party Transactions as required by Ind AS 24 on "Related Party Disclosures" for the year ended 31<sup>st</sup> March, 2019:

**A. List of Related Parties:**

**(a) Directors:**

Shri Vijay Kumar Gupta  
 Shri Susheel Kumar Gupta  
 Shri M.Srikanth Reddy  
 Smt CA. Alka Zanwar  
 Shri CA.P.Vikram  
 Shri CA.Pankaj Kumar Tirvedi

**(b) Relatives of Directors with whom transactions have taken place**

Shri Vijay Kumar Gupta  
 Shri Susheel Kumar Gupta  
 Smt. Shashikala Gupta

**(II) Key Managerial Person**

Shri S. Nagarajan, Company Secretary

**(III) Director's Interest**

Vijay Racing Farms Private Limited

Vijay Infotech Ventures

**B. Transactions/balances outstanding with related parties:**

**1) For the Year 2018-2019:**

Sl. No	Transactions/ Outstanding balances	Directors/ Relatives	Director's interest in firm/ Company	Key Managerial Personnel / Relatives	Total
1	Remuneration	84,00,000	-	19,20,000	<b>1,03,20,000</b>
2	Rent / Lease	27,03,708	-	-	27,03,708
3	Interest on Unsecured Loan	7,13,74,593	-	-	7,13,74,593
4	Unsecured Loan – Taken	35,21,40,586	-	-	35,21,40,586
5	Unsecured Loan – Repaid	16,67,21,076	-	-	16,67,21,076
6	Amount payable at the year end	11,10,20,375	-	-	11,10,20,375
7	Unsecured Loans Outstanding as at 31.03.2019	92,51,19,510	-	-	92,51,19,510

**2) For the Year 2017-2018:**

Sl. No	Transactions/ Outstanding balances	Directors / Relatives	Director's interest in firm / Company	Key Managerial Personnel / Relatives	Total
1	Remuneration	84,00,000	-	19,20,000	<b>1,03,20,000</b>
2	Rent / Lease	27,03,708	-	-	27,03,708
3	Interest on Unsecured Loan	4,95,30,793	-	-	4,95,30,793
4	Unsecured Loan – Taken	34,28,50,000	-	-	34,28,50,000
5	Unsecured Loan – Repaid	5,08,15,000	-	-	5,08,15,000
6	Amount payable at the year end	4,55,79,403	-	-	4,55,79,403
7	Unsecured Loans Outstanding as at 31.03.2018	73,97,00,000	-	-	73,97,00,000

**2.10. Assets taken on Operating Lease**

- (a) The Company's Lease Agreement is in respect of Building at Ameerpet, Kukatpally, Dilsukhnagar, and A.S. Rao Nagar show rooms. The Leasing arrangement is for a longer period and renewable by mutual consent on mutually agreeable terms.
- (b) Lease rentals payable are charged as "Lease Rental charges" under "Other Expenses" in Note-23.
- (c) Future minimum lease rentals payable as per the lease agreements:

Sl No.	Particulars	As at 31.03. 2019*	As at 31.03. 2018
(i)	Not Later than one year	2,82,19,669	2,75,24,407
(ii)	Later than one year but not later than 5 years	12,32,27,395	12,74,65,396
(iii)	Later than five years	3,23,23,720	5,85,86,585

\* The above figures are given without discounting at present value.

**2.11. Deferred Tax:**

The breakup of Deferred Tax Liability as on 31<sup>st</sup> March, 2019 is as follows:

Particulars	As at 31.03. 2019	As at 31.03. 2018
Deferred tax Liability arising on account of		
Difference between accounting base and tax base of property, plant and equipment and Intangible Asset	<b>(7,88,03,811)</b>	(10,07,82,420)
Unamortised provision Cost	(2,04,450)	(5,38,190)
Provision for Gratuity	24,77,871	24,67,704
Unused Tax Losses	-	87,62,529
Net Deferred Tax Asset/(Liability)	<b>(7,65,30,390)</b>	(9,00,90,377)

- 2.12.** The Company has not provided for cess u/s 441A of The Companies Act, 1956, as the Central Government has not specified the rules and manner of depositing the same.



**2.13. Earnings Per Share**

Particulars	Year 2018 – 19	Year 2017 - 18
<b>Earnings</b>		
Net profit / (Loss) for the period	3,04,24,679	7,88,63,584
<b>Shares</b>		
Weighted average number of equity shares outstanding during the period	1,52,90,000	1,31,25,000
Earnings per share of par value ` .10/- Basic (Rs)	1.99	6.01
Weighted average number of equity shares outstanding during the period for Diluted EPS	1,97,20,000	1,31,25,000
Earnings per share of par value ` .10/- Diluted (Rs)	1.54	6.01

**2.14.** In accordance with the Ind AS 39 on “Impairment of Assets” the management during the year carried out exercise of identifying the assets that might have been impaired in respect of each cash-generating unit. On the basis of this review carried out by the management there was no impairment loss on the fixed assets during the year ended 31<sup>st</sup> March 2019.

**2.15.** Letters have been written for confirmation of debit and credit balances pertaining to debtors and creditors and reply from the parties are awaited.

**2.16.** Previous year’s figures have been re-grouped and re-arranged wherever necessary so as to make them comparable with the current year.

**As per our report of even date**  
**For LAXMINIWAS & Co**  
Chartered Accountants  
Firm Registration No:011168S

For and on behalf of the Board of Directors of  
**Vijay Textiles Limited**  
CIN : L18100TG1990PLC010973

Sd/-  
**Vijay Singh**  
Partner  
Membership No: 221671

Sd/-  
**Vijay Kumar Gupta**  
Chairman & Managing Director  
DIN:01050958

Sd/-  
**Susheel Kumar Gupta**  
Executive Director & CFO  
DIN:00362714

Place: Hyderabad  
Date : 27<sup>th</sup> May, 2019

**S. Nagarajan**  
Company Secretary  
M.No:2532

**BALANCE SHEET AS AT  
31ST MARCH, 2019**



**TEXTILES LIMITED**

Particulars	Notes	As at	As at
		31.03.2019	31.03.2018
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, plant and equipment	2A	70,26,96,722	75,52,15,974
(b) Capital work-in-progress		-	-
(c) Intangible Assets	2B	2,30,873	3,40,808
(d) Other Non - current Assets	3	2,39,93,303	2,38,78,698
<b>TOTAL NON - CURRENT ASSETS</b>		<b>72,69,20,898</b>	<b>77,94,35,480</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	4	1,39,80,61,873	1,30,99,35,157
(b) Financial Assets			
(i) Trade receivables	5A	1,41,85,27,581	1,22,28,37,106
(ii) Cash and cash equivalents	5B	22,65,771	26,10,655
(iii) Other Financial Assets	5C	14,84,37,023	20,34,77,281
(c) Other current Assets	6	2,77,42,717	2,95,32,938
<b>TOTAL CURRENT ASSETS</b>		<b>2,99,50,34,965</b>	<b>2,76,83,93,137</b>
<b>TOTAL ASSETS</b>		<b>3,72,19,55,863</b>	<b>3,54,78,28,617</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	7	15,29,02,689	13,12,52,689
(b) Other Equity		1,09,07,97,978	56,02,46,182
<b>TOTAL EQUITY</b>		<b>1,24,37,00,667</b>	<b>69,14,98,871</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	8A	1,18,39,00,550	1,26,65,11,481
(b) Deferred Tax Liabilities (Net)	9	7,65,30,390	9,00,90,377
(c) Other Non Current Liability	10	-	37,60,72,416
<b>TOTAL NON - CURRENT LIABILITIES</b>		<b>1,26,04,30,940</b>	<b>1,73,26,74,274</b>

**BALANCE SHEET AS AT  
31ST MARCH, 2019 (CONTD.)**



**TEXTILES LIMITED**

Particulars	Notes	As at	As at
		31.03.2019	31.03.2018
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	11A	68,22,26,036	67,59,19,082
(ii) Trade payables	11B		
Dues to micro and small enterprises		-	-
Dues to others		18,07,29,313	17,48,72,096
(iii) Other financial liabilities	11C	31,75,59,464	24,92,05,715
(b) Other current liabilities	12	1,84,15,500	1,01,66,081
(c) Provisions	13	1,45,99,630	1,18,56,985
(d) Income tax liabilities (net)	14	42,94,313	16,35,513
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,21,78,24,256</b>	<b>1,12,36,55,472</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,72,19,55,863</b>	<b>3,54,78,28,617</b>

Significant accounting policies 1  
Notes on accounts 2

The accompanying notes form part of the financial Statements

**As per our report of even date**  
**For LAXMINIWAS &Co**  
Chartered Accountants  
Firm Registration No:011168S

For and on behalf of the Board of Directors of  
**Vijay Textiles Limited**  
CIN : L18100TG1990PLC010973

Sd/-  
**Vijay Singh**  
Partner  
Membership No: 221671

**Vijay Kumar Gupta**  
Chairman & Managing Director  
DIN:01050958

Sd/-  
**Susheel Kumar Gupta**  
Executive Director & CFO  
DIN:00362714

Place: Hyderabad  
Date : 27<sup>th</sup> May, 2019

**S. Nagarajan**  
Company Secretary  
M.No:2532

**STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED  
31ST MARCH, 2019**



**TEXTILES LIMITED**

Particulars	Notes	For the year	For the year
		31.03.2019	31.03.2018
<b>INCOME</b>			
Revenue from Operations	15	94,85,24,046	1,10,29,32,038
Other Income	16	1,04,84,797	1,41,93,751
<b>TOTAL REVENUE FROM OPERATIONS</b>		<b>95,90,08,843</b>	<b>1,11,71,25,789</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	17	28,56,03,317	65,86,89,682
Purchase of Stock -in -Trade		19,39,36,255	6,56,57,165
Packing Material Consumed	18	25,06,519	51,31,652
Changes in Inventories of Finished Goods and Work -in-Progress	19	(5,31,64,118)	(19,90,66,706)
Manufacturing Expenses	20	5,98,16,183	6,44,66,965
Employee Benefit Expenses	21	7,10,63,267	7,40,13,722
Finance Costs	22	21,90,11,874	22,10,07,806
Depreciation and Amortization Expenses	2A & 2B	6,58,63,337	7,00,55,001
Other Expenses	23	9,29,35,576	9,00,18,352
<b>TOTAL EXPENSES</b>		<b>93,75,72,210</b>	<b>1,04,99,73,639</b>
<b>Profit/(loss) before tax</b>		<b>2,14,36,633</b>	<b>6,71,52,150</b>
<b>TAX EXPENSES</b>			
(a) Current tax		49,56,327	22,90,204
(b ) Deferred tax		(1,36,66,923)	(1,53,94,778)
<b>TOTAL TAX EXPENSES</b>		<b>(87,10,596)</b>	<b>(1,31,04,574)</b>
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>3,01,47,229</b>	<b>8,02,56,724</b>

**STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED  
31ST MARCH, 2019 (CONTD.)**



**TEXTILES LIMITED**

Particulars	Notes	For the year	For the year
		31.03.2019	31.03.2018
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/assets		3,84,386	(20,91,299)
Less: Deferred Tax ( Actuarial Gain / Loss )		(1,06,936)	6,98,159
(ii) Items that will be reclassified subsequently to profit or loss			
<b>Total other comprehensive income, net of taxes</b>		<b>2,77,450</b>	<b>(13,93,140)</b>
<b>Total Income for the period</b>		<b>3,04,24,679</b>	<b>7,88,63,584</b>
Earnings per equity share			
Equity share of par value ` 10/- each			
Basic(`)		1.99	6.01
Diluted(`)		1.54	6.01
Weighted Average Number of Equity Shares used in computing EPS			
Basic		1,52,90,000	1,31,25,000
Diluted		1,97,20,000	1,31,25,000
Significant accounting policies	1		
Notes on accounts	2		

The accompanying notes form part of the financial Statements

**As per our report of even date**  
**For LAXMINIWAS &Co**  
Chartered Accountants  
Firm Registration No:011168S

For and on behalf of the Board of Directors of  
**Vijay Textiles Limited**  
CIN : L18100TG1990PLC010973

Sd/-

**Vijay Singh**  
Partner  
Membership No: 221671

**Vijay Kumar Gupta**  
Chairman & Managing Director  
DIN:01050958

Sd/-

**Susheel Kumar Gupta**  
Executive Director & CFO  
DIN:00362714

Place: Hyderabad  
Date : 27<sup>th</sup> May, 2019

**S. Nagarajan**  
Company Secretary  
M.No:2532

**CASH FLOW STATEMENT FOR THE  
YEAR ENDED 31ST MARCH, 2019**



**TEXTILES LIMITED**

Particulars	Year2018-2019		Year2017-2018	
<b>A. Cash Flow From Operating Activities</b>				
<b>Net profit before tax</b>		2,14,36,633		6,71,52,150
Adjusted for				
Depreciation	6,58,63,337		7,00,55,001	
Finance Costs	21,08,42,835		20,63,84,160	
Interest unwinding	8,77,181		11,64,672	
Preference dividend unwinding	72,91,858		1,32,61,219	
Re-measurement gains/(losses) on employee defined benefit plans	3,84,386		(20,91,299)	
Loss / (Profit) on sale of fixed assets (net)	-		(2,75,804)	
Preference Dividend (including DDT)	-		6,36,050	
Interest Income	(4,92,888)		(4,64,162)	
Finance Income on preference share	(72,91,858)		(1,32,61,219)	
Provision for Employee benefits	27,42,645		43,07,189	
		28,02,17,496		27,97,15,807
<b>Operating Profit Before Working Capital Changes</b>		<b>30,16,54,129</b>		<b>34,68,67,957</b>
Working Capital changes adjusted for				
Trade Receivables	(19,56,90,475)		(3,03,86,528)	
Other financial and non financial assets	5,68,53,618		2,06,35,329	
Inventories	(8,81,26,716)		(20,76,94,148)	
Trade Payables	58,57,217		(1,75,39,713)	
Other financial and non financial liabilities	(67,17,510)		51,62,946	
		(22,78,23,866)		(22,98,22,114)
<b>Cash Generated From Operations</b>		<b>7,38,30,263</b>		<b>11,70,45,843</b>
Direct Taxes Paid		(22,97,528)		
<b>Net Cash Flow From Operating Activities (A)</b>		<b>7,15,32,735</b>		<b>11,70,45,843</b>

Particulars	Year 2018-2019		Year 2017-2018	
<b>B. Cash Flow From Investing Activities</b>				
Purchase Of Fixed Assets	(1,32,34,150)		(2,80,07,892)	
Proceeds from sale of fixed assets	-		31,68,381	
Deposits placed with corporations	(1,14,605)		(1,07,648)	
Interest income received	4,69,750		4,75,445	
<b>Net Cash Used In Investing Activities (B)</b>		<b>(1,28,79,005)</b>		<b>(2,44,71,714)</b>
<b>C. Cash Flow From Financing Activities</b>				
Proceeds from issue of share warrants	1,00,00,000		-	
Working Capital Borrowings	63,06,954		(10,74,769)	
Net proceeds from long term borrowings	7,93,81,815		12,00,86,764	
Interest Paid	(13,57,85,969)		(20,86,17,055)	
Payment of Dividend (Including DDT)	(1,62,82,691)		(6,35,019)	
Finance Charges	(26,18,723)		(36,73,970)	
<b>Net Cash Used In Financing Activities (C)</b>		<b>(5,89,98,614)</b>		<b>(9,39,14,049)</b>
<b>Net Increase/ (Decrease) In Cash And Cash Equivalents (A+B+C)</b>		<b>(3,44,884)</b>		<b>(13,39,920)</b>
<b>Opening Cash And Cash Equivalents</b>		<b>26,10,655</b>		<b>39,50,575</b>
<b>Closing Cash And Cash Equivalents</b>		<b>22,65,771</b>		<b>26,10,655</b>

The accompanying notes form part of the financial Statements

**As per our report of even date**  
**For LAXMINIWAS & Co**  
Chartered Accountants  
Firm Registration No:011168S

For and on behalf of the Board of Directors of  
**Vijay Textiles Limited**  
CIN : L18100TG1990PLC010973

Sd/-

**Vijay Singh**  
Partner  
Membership No: 221671

**Vijay Kumar Gupta**  
Chairman & Managing Director  
DIN:01050958

Sd/-

**Susheel Kumar Gupta**  
Executive Director & CFO  
DIN:00362714

Place: Hyderabad  
Date : 27<sup>th</sup> May, 2019

**S. Nagarajan**  
Company Secretary  
M.No:2532

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH, 2019****(a) Equity Share Capital**

Particulars	(₹)
<b>Balance as at 1 April , 2017</b>	<b>13,12,52,689</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March , 2018</b>	<b>13,12,52,689</b>
<b>Balance as at 1 April , 2018</b>	<b>13,12,52,689</b>
Changes in equity share capital during the year	2,16,50,000
<b>Balance as at 31 March , 2019</b>	<b>15,29,02,689</b>

**(b) Other Equity**

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Capital reserve	Money received against Share Warrants	Equity Instruments through other comprehensive income	Other comprehensive income	Total Other Equity
<b>Balance as on 1st April, 2017</b>	<b>22,68,12,510</b>	<b>31,52,61,541</b>	<b>(7,64,35,458)</b>	<b>1,70,00,000</b>	-	-	<b>(12,55,995)</b>	<b>48,13,82,598</b>
Profit and loss during the year	-	-	8,02,56,724	-	-	-	-	8,02,56,724
Actuarial Gain / Loss	-	-	-	-	-	-	(20,91,299)	(20,91,299)
Deferred Tax on adjustments	-	-	-	-	-	-	6,98,159	6,98,159
<b>Balance as on 31 st March , 2018</b>	<b>22,68,12,510</b>	<b>31,52,61,541</b>	<b>38,21,266</b>	<b>1,70,00,000</b>	-	-	<b>(26,49,135)</b>	<b>56,02,46,182</b>
<b>Balance as on 1st April, 2018</b>	<b>22,68,12,510</b>	<b>31,52,61,541</b>	<b>38,21,266</b>	<b>1,70,00,000</b>	-	-	<b>(26,49,135)</b>	<b>56,02,46,182</b>



Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Capital reserve	Money received against Share Warrants	Equity Instruments through other comprehensive income	Other comprehensive income	Total Other Equity
Add : Premium on Shares issued during the year	15,15,50,000	-	-	-	-	-	-	15,15,50,000
Add : Money received against Share Warrants	-	-	-	-	36,44,00,000	-	-	36,44,00,000
Less : Equity Dividend	-	(1,31,25,000)	-	-	-	-	-	(1,31,25,000)
Less : Dividend Distribution Tax	-	(26,97,883)	-	-	-	-	-	(26,97,883)
Profit and loss during period	-	-	3,01,47,229	-	-	-	-	3,01,47,229
Actuarial Gain / Loss	-	-	-	-	-	-	3,84,386	3,84,386
Deferred Tax on adjustments	-	-	-	-	-	-	(1,06,936)	(1,06,936)
<b>Balance as on 31 st March , 2019</b>	<b>37,83,62,510</b>	<b>29,94,38,658</b>	<b>3,39,68,495</b>	<b>1,70,00,000</b>	<b>36,44,00,000</b>	-	<b>(23,71,685)</b>	<b>1,09,07,97,978</b>

The accompanying notes form part of the financial Statements

**As per our report of even date**  
**For LAXMINIWAS &Co**  
Chartered Accountants  
Firm Registration No:011168S

For and on behalf of the Board of Directors of  
**Vijay Textiles Limited**  
CIN : L18100TG1990PLC010973

Sd/-  
**Vijay Singh**  
Partner  
Membership No: 221671

**Vijay Kumar Gupta**  
Chairman & Managing Director  
DIN:01050958

Sd/-  
**Susheel Kumar Gupta**  
Executive Director & CFO  
DIN:00362714

Place: Hyderabad  
Date : 27<sup>th</sup> May, 2019

**S. Nagarajan**  
Company Secretary  
M.No:2532

**NOTE 2A & 2B : PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS:**

Particulars	Gross Block			Depreciation			Net Block			
	As at 01.04.2018	Additions	Deletion Adjustment	As at 31.03.2019	As at 01.04.2018	For P & L	Deletion/ Adjustment	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
<b>Tangible Assets: 2A</b>										
Land	7,62,54,798	-	-	7,62,54,798	-	-	-	-	7,62,54,798	7,62,54,798
Building	22,88,51,167	-	-	22,88,51,167	6,24,51,293	68,23,864	-	6,92,75,157	15,95,76,010	16,63,99,874
Lease Hold Property	9,51,43,860	-	-	9,51,43,860	3,77,94,311	38,97,318	-	4,16,91,629	5,34,52,231	5,73,49,549
Plant & Machinery	54,07,69,186	1,07,58,639	-	55,15,27,825	22,21,57,944	1,90,66,549	-	24,12,24,493	31,03,03,332	31,86,11,242
Electrical Installation	8,77,35,000	2,80,614	-	8,80,15,614	6,79,29,964	62,75,749	-	7,42,05,713	1,38,09,901	1,98,05,036
Furniture & Fixtures	28,99,05,074	1,34,237	-	29,00,39,311	22,16,67,145	2,20,96,565	-	24,37,63,710	4,62,75,601	6,82,37,929
Office Equipment	38,17,841	21,525	-	38,39,366	34,76,702	38,956	-	35,15,658	3,23,708	3,41,139
Vehicles	6,42,72,831	14,54,019	-	6,57,26,850	1,64,99,524	72,76,835	-	2,37,76,359	4,19,50,491	4,77,73,307
Computers	23,14,175	5,49,116	-	28,63,291	18,71,075	2,41,566	-	21,12,641	7,50,650	4,43,100
<b>Sub Total (A)</b>	<b>1,38,90,63,932</b>	<b>1,31,98,150</b>	<b>-</b>	<b>1,40,22,62,082</b>	<b>63,38,47,958</b>	<b>6,57,17,402</b>	<b>-</b>	<b>69,95,65,360</b>	<b>70,26,96,722</b>	<b>75,52,15,974</b>
<b>Capital Work In Progress</b>	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets: 2B</b>										
Computer Software	14,77,441	36,000	-	15,13,441	11,36,633	1,45,935	-	12,82,568	2,30,873	3,40,808
<b>Sub Total (B)</b>	<b>14,77,441</b>	<b>36,000</b>	<b>-</b>	<b>15,13,441</b>	<b>11,36,633</b>	<b>1,45,935</b>	<b>-</b>	<b>12,82,568</b>	<b>2,30,873</b>	<b>3,40,808</b>
<b>TOTAL(A+B)</b>	<b>1,39,05,41,373</b>	<b>1,32,34,150</b>	<b>-</b>	<b>1,40,37,75,523</b>	<b>63,49,84,591</b>	<b>6,58,63,337</b>	<b>-</b>	<b>70,08,47,928</b>	<b>70,29,27,595</b>	<b>75,55,56,782</b>
<b>Previous Year</b>	<b>1,37,23,66,366</b>	<b>2,80,07,892</b>	<b>98,32,885</b>	<b>1,39,05,41,373</b>	<b>57,18,69,898</b>	<b>7,00,55,001</b>	<b>69,40,308</b>	<b>63,49,84,591</b>	<b>75,55,56,782</b>	<b>80,04,96,468</b>

Notes: The additions to Plant and machinery includes customs duty of ₹ 1,00,19,127/- paid on import of embroidery machines.

**NOTE 3 : OTHER NON-CURRENT ASSETS**

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured, considered good		
Deposits:		
With Govt.Bodies	65,41,170	64,27,565
Other than Govt.Bodies		
Rent	1,69,81,000	1,69,81,000
With suppliers	4,71,133	4,70,133
<b>TOTAL</b>	<b>2,39,93,303</b>	<b>2,38,78,698</b>

**NOTE 4 : INVENTORIES**

Particulars	As at 31.03.2019	As at 31.03.2018
(At lower of cost or net realisable value)		
Raw-Material	10,70,07,026	7,25,88,872
Work- in- Progress	83,54,800	1,66,74,632
Finished Goods	1,24,79,10,877	1,18,64,26,927
Stores & Consumables	3,47,89,170	3,42,44,726
<b>TOTAL</b>	<b>1,39,80,61,873</b>	<b>1,30,99,35,157</b>

**FINANCIAL ASSETS:**

**NOTE 5A : TRADE RECEIVABLES**

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured, Considered Good		
Outstanding for a period exceeding six months	98,68,42,892	81,78,01,952
Others	43,16,84,689	40,50,35,154
<b>TOTAL</b>	<b>1,41,85,27,581</b>	<b>1,22,28,37,106</b>
Significant increase in Credit Risk	-	-
<b>TOTAL</b>	<b>1,41,85,27,581</b>	<b>1,22,28,37,106</b>
Credit Impaired	-	-
<b>GRAND TOTAL</b>	<b>1,41,85,27,581</b>	<b>1,22,28,37,106</b>

**NOTE 5B : CASH AND CASH EQUIVALENTS**

Particulars	As at 31.03.2019	As at 31.03.2018
Cash on Hand	4,14,946	2,76,146
Bank Balance with Scheduled Banks		
- In Current Accounts	4,92,231	10,35,337
- In Unclaimed Dividend Accounts ( Refer Note a)	1,76,242	1,95,702
- In Term Deposit Account ( Refer Note b)	11,82,352	11,03,470
<b>TOTAL</b>	<b>22,65,771</b>	<b>26,10,655</b>

**Notes:**

- a) During the year an amount of ` .1,94,229/- pertaining to the year 2010-11 (Previous Year an amount of ` .1,58,807/- pertaining to the year 2009-10) was transferred to Investor Education and Protection Fund (IEPF).
- b) Term deposits are held as margin money against Bank Guarantees.

**NOTE 5C : OTHER FINANCIAL ASSETS**

Particulars	As at 31.03.2019	As at 31.03.2018
Interest Receivable	4,05,241	3,82,103
Receivable against cancellation of Tech-Park Project	14,79,91,933	20,29,91,933
Other Current Assets	39,849	1,03,245
<b>TOTAL</b>	<b>14,84,37,023</b>	<b>20,34,77,281</b>

**NOTE 6 : OTHER CURRENT ASSETS**

Particulars	As at 31.03.2019	As at 31.03.2018
Advances for Supplies and Services	6,10,881	30,06,976
Pre Paid Expenses	80,86,700	52,55,284
Income Tax Receivable	1,83,41,601	1,97,86,207
Loans and Advances to Employees	2,40,020	7,17,445
Other Current Assets	4,63,515	7,67,026
<b>TOTAL</b>	<b>2,77,42,717</b>	<b>2,95,32,938</b>

**NOTE 7 : EQUITY SHARE CAPITAL**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Authorised Capital</b>		
2,03,00,000 (Previous Year : 2,00,00,000) Equity Shares of ` .10/- each	20,30,00,000	20,00,00,000
<b>TOTAL</b>	<b>20,30,00,000</b>	<b>20,00,00,000</b>
<b>Issued, Subscribed and Paid-Up Capital</b>		
1,52,90,000 (Previous Year : 1,31,25,000) Equity Shares of ` 10/- each	15,29,00,000	13,12,50,000
Share Forfeiture	2,689	2,689
<b>TOTAL</b>	<b>15,29,02,689</b>	<b>13,12,52,689</b>

**Notes:**

**(a) Reconciliation of shares outstanding at the beginning and at the end of the year**

**Equity Shares**

Particulars	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	1,31,25,000	13,12,50,000	1,31,25,000	13,12,50,000
Add: Issued during the year	21,65,000	2,16,50,000	-	-
<b>At the closing of the period</b>	<b>1,52,90,000</b>	<b>15,29,00,000</b>	1,31,25,000	13,12,50,000

**(b) (i) Rights, preference and restrictions attached to Equity Shares**

The Company has only one class of equity shares having a par value of ` 10/- each per share (Previous Year : ` 10/- each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

**(c) (i) Details of Shareholders holding more than 5% equity shares in the Company**

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares	%	Number of Shares	%
Equity Share of ` . 10/- each held by				
1. Vijay Kumar Gupta	59,48,016	38.90%	44,98,016	34.27%
2. Susheel Kumar Gupta	32,19,699	21.06%	28,04,699	21.37%

d) During the year, the Company allotted 65,95,000 Warrants convertible in to Equity shares of ` 10/- each to be issued at a price not less than ` 80/- each against 52,76,000, 0.10% Convertible Cumulative Preference Shares of ` 100/- each aggregating to ` 52.76 Crores to Promoters and Directors and 5,00,000 Warrants convertible into Equity Shares of ` 10/- each to be issued at a price not less than ` 80/- to other than promoters for cash consideration on preferential basis.

- e) The Company allotted 21,65,000 Equity Shares of ` 10/- each at a premium of ` 70/- each bearing Distinctive Nos 13125001 to 15290000 issued to Promoters and Directors on a preferential basis pursuant to Conversion of warrants as against the allotted 65,95,000 warrants.

**NOTE 8A : BORROWINGS**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>A. Secured</b>		
Term Loan From Banks ( Refer Note I )	24,42,51,205	36,40,49,358
Vehicle Loans ( Refer Note II )	1,45,29,835	1,12,34,539
<b>Sub-Total</b>	<b>25,87,81,040</b>	<b>37,52,83,897</b>
<b>B. Unsecured</b>		
Loans and Advances from other related parties ( Refer Note III )	92,51,19,510	73,97,00,000
52,76,000 (Previous Year :52,76,000) 0.10% Non-Convertible Cumulative Redeemable Preference Shares of ` 100/- each (Refer Note IV)	-	15,15,27,584
<b>Sub-Total</b>	<b>92,51,19,510</b>	<b>89,12,27,584</b>
<b>TOTAL</b>	<b>1,18,39,00,550</b>	<b>1,26,65,11,481</b>

**Notes:**

- (I) Term Loans from banks namely State Bank of India and Axis Bank Limited, are secured by :
- (a) First pari-passu charge on all the immovable and movable Fixed Assets present and future of the Company.
  - (b). Second pari-passu charge on all the current assets of the Company (excluding credit card receivables).
  - (c). Further the terms loans are collaterally secured by;
    - (i) Commercial space admeasuring 5108.75 sft, bearing shop Nos: 8,9,11 and 13, situated in Ground Floor, Surya Towers, 104, S.P.Road, Secunderabad-500 003,standing in the names of Shri Vijay Kumar Gupta,Shri Vijay Kumar Gupta(HUF), Shri Susheel Kumar Gupta and Smt. Shashikala Gupta.
    - (ii) Pledge of entire shares held by Promoters i.e. Shri Vijay Kumar Gupta, Shri Susheel Kumar Gupta, Smt Shashikala Gupta.
    - (iii) Personal Guarantees of Mr. Vijay Kumar Gupta,Vijay Kumar Gupta HUF, Mr. Susheel Kumar Gupta and Mrs. Shashikala Gupta. Guarantee limited to the value of the security mortgaged.
    - (iv) Term -II and FITL-II of State Bank of India is secured by exclusive charge on credit card receivables and collateral security as pari passu first charge on the fixed assets of the Company present and future.

**Terms of Repayment:**

- 1 State Bank of India - Term Loan -I,II ,III and IV repayable in 36 monthly instalments . Amount repayable during the calendar year, 2019 ` 72.25 Lakhs and during the period 2020 to 2021 ` 72.25 Lakhs per annum, commencing from 31st July,2015 , presently interest @11.55% p.a. under 1 year MCLR based lending rate with annual reset.
- 2 State Bank of India - Funded Interest Term Loan - repayable in 36 monthly instalments . Amount repayable during the calendar year 2019 ` 12.92 Lakhs and during period 2020 to 2021 ` 12.92 Lakhs per annum, commencing from 31st July, 2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate with annual reset.
- 3 State Bank of India - Working Capital Term Loan - repayable in 24 monthly instalments. Amount repayable during the calendar year 2019 ` 114.65 Lakhs and during the period 2020 ` 196.54 Lakhs per annum commencing from 31st July, 2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate with annual reset.
- 4 State Bank of India - Priority Debt Term Loan - repayable in 18 monthly instalments. Amount repayable during the calendar year 2019 ` 68.80 Lakhs, during the period 2019 ` 68.80 Lakhs per annum and during the period 2020 ` 34.40 Lakhs per annum commencing from 31st July,2015,presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate with annual reset.
- 5 State Bank of India - Term Loan -I,II ,III and IV repayable in 36 monthly instalments . Amount repayable during the calendar year 2019 ` 767.88 Lakhs and during the period 2019 to 2021 ` 767.88 Lakhs per annum, commencing from 31st July, 2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate.
- 6 State Bank of India - Funded Interest Term Loan repayable in 36 equal monthly instalments. Amount repayable during the calendar year 2019 ` 136.56 Lakhs and during the period 2020 to 2021 ` 136.56 Lakhs per annum commencing from 31st July,2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate.
- 7 State Bank of India -Working Capital Term Loan repayable in 24 monthly instalments Amount repayable during the calendar year, 2019 ` 54.60 Lakhs and during the calendar year 2020 ` 54.60 Lakhs per annum commencing from 31st July,2015, presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate.
- 8 State Bank of India - Priority Debt Loan repayable in 18 monthly instalments .Amount repayable during the calendar year 2019 ` 92.04 Lakhs, during the calendar year 2020 ` 46.02 Lakhs per annum commencing from 31st July,2015,presently bearing interest @11.55% p.a. under 1 year MCLR based lending rate.
- 9 Axis Bank Limited - Term Loan is repayable in 36 monthly instalments. Amount repayable during the financial year 2018-2019 ` 10.30 Lakhs and during the period 2019 -2021 ` 43.20 Lakhs per annum and during the period 2021 to 2022 ` 32.40 Lakhs per annum commencing from 31st July, 2015, presently bearing interest @ 11.75% p.a. under 3 months MCLR based lending rate.
- 10 Axis Bank Limited - Funded Interest Term Loan repayable in 36 monthly instalments. Amount repayable during the financial year 2018-2019 ` 1.95 Lakhs and during the period 2019 to 2021 ` 7.80 Lakhs per annum and during the year 2021 to 2022 ` 5.85 Lakhs annum commencing from 31st July,2015, presently bearing interest @ 11.75% p.a. under 3 months MCLR based lending rate.
- 11 Axis Bank Limited - Working Capital Term Loan repayable in 24 monthly instalments. Amount repayable during the financial year 2018-2019 ` 27.84 Lakhs and during the period 2019-2020 ` 111.36 Lakhs

per annum and during the period 2020 to 2021 ` 83.52 Lakhs per annum commencing from 31st July, 2015, presently bearing interest @ 11.75% p.a. under 3 months MCLR based lending rate.

- 12 Axis Bank Limited - Priority Debt Loan repayable in 18 monthly instalments. Amount repayable during the financial year 2018-2019 ` 9.81 Lakhs and during the financial year 2019-2020 ` 39.24 Lakhs and during the financial year 2020-2021 ` 9.81 Lakhs per annum commencing from 31st July, 2015, presently bearing interest @ 11.75% p.a. under 3 months MCLR based lending rate.

**(II) a. Vehicle Loans is secured by way of hypothecation of specific vehicle financed:**

**b. Terms of Repayment:**

- 1 Loan availed from Toyota Financial Services India Ltd., under Loan Account No.NHYD1090946 is repayable in monthly instalments of ` 3.23 Lakhs each inclusive of interest ending on 10th December, 2020.
- 2 Loan availed from Toyota Financial Services India Ltd., under Loan Account No.NHYD 1136418 is repayable in monthly instalments of ` 0.47 Lakhs each inclusive of interest ending on 10th June, 2021.
- 3 Loan availed from Tata Capital Financial Services Limited , under Loan Account No.7000351893 is repayable in monthly instalments of ` 0.68 Lakhs each inclusive of interest ending on 15th April, 2019.
- 4 Loan availed from Tata Capital Financial Services Limited , under Loan Account No.7000352936 is repayable in monthly instalments of ` 0.29 Lakhs each inclusive of interest ending on 15th April, 2019.
- 5 Loan availed from Tata Capital Financial Services Limited , under Loan Account No7000419830 is repayable in monthly instalments of ` 1.05 Lakhs each inclusive of interest ending on 3rd May, 2020.
- 6 Loan availed from Tata Capital Financial Services Limited , under Loan Account No7000419833 is repayable in monthly instalments of ` 0.99 Lakhs each inclusive of interest ending on 3rd May, 2020.
- 7 Loan availed from Axis Bank Limited , under Loan Account No.AUR00802926194 is repayable in monthly instalments of ` 0.98 Lakhs each inclusive of interest ending on 10th February, 2021.
- 8 Loan availed from Yes Bank Limited , under Loan Account No.ALN000600122083 is repayable in monthly instalments of ` 0.79 Lakhs each inclusive of interest ending on 15th July, 2019.
- 9 Loan availed from Axis Bank Limited , under Loan Account No.AUR00803039744 is repayable in monthly instalments of ` 3.04 Lakhs each inclusive of interest ending on 10th March, 2023.

**III) Unsecured Loans From Related Parties:**

- 1 Unsecured Loans are from Shri.Vijay Kumar Gupta, Chairman and Managing Director and Shri. Susheel Kumar Gupta, Executive Director of the Company repayable over a period of 5 years ending on 15th April, 2022.



**NOTE 9 : DEFERRED TAX LIABILITIES (NET)**

Particulars	As at 31.03.2019	As at 31.03.2018
At the beginning of the year	9,00,90,377	10,61,83,314
Provision for the year	(1,35,59,987)	(1,60,92,937)
<b>Closing Balance</b>	<b>7,65,30,390</b>	<b>9,00,90,377</b>

**NOTE 10 : OTHER NON-CURRENT LIABILITY**

Particulars	As at 31.03.2019	As at 31.03.2018
Preference Share - Debt Component	-	37,60,72,416
<b>Closing Balance</b>	<b>-</b>	<b>37,60,72,416</b>

**NOTE 11A : BORROWINGS**

Particulars	As at 31.03.2019	As at 31.03.2018
Working Capital Borrowings from Banks (secured)	68,22,26,036	67,59,19,082
<b>TOTAL</b>	<b>68,22,26,036</b>	<b>67,59,19,082</b>

**Notes :**

Working Capital facilities availed by the Company from State Bank of India and Axis Bank Limited are carrying interest rate ranging from 10.80% to 11.05 % and are secured by:

- Pari-Passu first charge on all chargeable current assets of the Company in favour of State Bank of India and Axis Bank Limited (excluding credit card receivables, which are charged to State Bank of India alone and are separately dealt with herein).
- Pari-Passu second charge on entire Fixed Assets of the Company, both present and future. Further the Working Capital facilities are collaterally secured by :
- Commercial space admeasuring 5108.75 sft, bearing shop Nos: 8,9,11 and 13, situated in Ground Floor, Surya Towers, 104, S.P.Road, Secunderabad-500 003, standing in the names of Shri Vijay Kumar Gupta, Shri Vijay Kumar Gupta (HUF), Shri Susheel Kumar Gupta and Smt. Shashikala Gupta.
- Pledge of entire shares held by Promoters i.e. Shri Vijay Kumar Gupta, Shri Susheel Kumar Gupta, Smt Shashikala Gupta.
- Personal Guarantees of Mr. Vijay Kumar Gupta, Vijay Kumar Gupta HUF, Mr. Susheel Kumar Gupta and Mrs. Shashikala Gupta. Guarantee limited to the value of the security mortgaged.

**NOTE 11B : TRADE PAYABLES**

Particulars	As at 31.03.2019	As at 31.03.2018
(a) Due to micro and small enterprises	-	-
(b) Due to others	18,07,29,313	17,48,72,096
<b>TOTAL</b>	<b>18,07,29,313</b>	<b>17,48,72,096</b>

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 As at 31 March 2018, based on and to the extent of information received from the suppliers regarding their registration as Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 there are no amounts outstanding in respect of these vendors and, hence, no disclosure of the information required under the said Act relating to them has been made.

**NOTE 11C : OTHER FINANCIAL LIABILITIES**

Particulars	As at 31.03.2019	As at 31.03.2018
Term Loan instalments due less than 12 months	16,48,80,097	15,45,08,320
Vehicle Loan instalments due less than 12 months	1,03,07,694	93,37,128
Interest Accrued and Due on Borrowings	1,31,90,799	49,89,789
Unclaimed Dividend	1,76,242	1,95,702
Other Liabilities	12,90,04,632	8,01,74,776
<b>TOTAL</b>	<b>31,75,59,464</b>	<b>24,92,05,715</b>

Note: Please refer to notes under Note:8 for details of repayment of loans and securities charged to the lenders.

**NOTE 12 : OTHER CURRENT LIABILITIES**

Particulars	As at 31.03.2019	As at 31.03.2018
Other Liabilities	1,84,15,500	1,01,66,081
<b>TOTAL</b>	<b>1,84,15,500</b>	<b>1,01,66,081</b>

**NOTE 13 : PROVISIONS**

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for Bonus	18,56,649	18,66,279
Provision for Leave Encashment	21,55,729	19,89,332
Provision for Incentives	7,80,888	6,09,497
Provision for CSR Expenses	8,99,567	-
Provision for Gratuity	89,06,797	73,91,877
<b>TOTAL</b>	<b>1,45,99,630</b>	<b>1,18,56,985</b>

**NOTE 14 : INCOME TAX LIABILITIES (NET)**

Particulars	As at 31.03.2019	As at 31.03.2018
Current tax liabilities (net)	42,94,313	16,35,513
<b>TOTAL</b>	<b>42,94,313</b>	<b>16,35,513</b>

**NOTE 15 : REVENUE FROM OPERATIONS**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>REVENUE FROM OPERATIONS :</b>		
Cloth Sales - State	66,05,72,393	73,64,23,967
Cloth Sales - Int. State	25,79,61,181	33,65,92,691
<b>Other Operating Revenue</b>		
Job Work Charges Received	2,99,90,472	2,99,15,380
<b>TOTAL</b>	<b>94,85,24,046</b>	<b>1,10,29,32,038</b>

**NOTE 16 : OTHER INCOME**

Particulars	As at 31.03.2019	As at 31.03.2018
Interest Received	4,92,888	4,64,162
Miscellaneous Income	27,00,051	1,40,689
Profit on sales of assets	-	3,27,681
Finance income on preference share	72,91,858	1,32,61,219
<b>TOTAL</b>	<b>1,04,84,797</b>	<b>1,41,93,751</b>

**NOTE 17 : COST OF RAW MATERIALS CONSUMED**

Particulars	As at 31.03.2019	As at 31.03.2018
Opening Stock	7,25,88,872	6,55,87,452
Add: Purchases	32,00,21,471	66,56,91,102
	<b>39,26,10,343</b>	<b>73,12,78,554</b>
Less: Closing Stock	10,70,07,026	7,25,88,872
Consumption	<b>28,56,03,317</b>	<b>65,86,89,682</b>

**NOTE 18 : PACKING MATERIAL CONSUMED**

Particulars	As at 31.03.2019	As at 31.03.2018
Opening Stock	10,97,555	5,00,896
Add: Purchases	23,99,324	57,28,311
	<b>34,96,879</b>	<b>62,29,207</b>
Less: Closing Stock	9,90,360	10,97,555
Consumption	<b>25,06,519</b>	<b>51,31,652</b>

**NOTE 19 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>A. OPENING STOCK</b>		
Finished Goods	1,18,64,26,927	98,50,63,302
Stock in Process	1,66,74,632	1,89,71,551
<b>TOTAL (A)</b>	<b>1,20,31,01,559</b>	1,00,40,34,853
<b>B. CLOSING STOCK</b>		
Finished Goods	1,24,79,10,877	1,18,64,26,927
Stock in Process	83,54,800	1,66,74,632
<b>TOTAL (B)</b>	<b>1,25,62,65,677</b>	1,20,31,01,559
<b>Net (Increase) / Decrease in Stocks (A-B)</b>	<b>(5,31,64,118)</b>	(19,90,66,706)

**NOTE 20 : MANUFACTURING EXPENSES**

Particulars	As at 31.03.2019	As at 31.03.2018
Carriage & Freight	16,01,888	23,04,390
Consumption of Firewood	2,15,53,221	2,09,54,635
Power & Fuel	1,74,24,973	1,97,42,512
Consumption of Design & Development	29,46,739	29,00,849
Consumption of Stores & Consumables	58,54,653	78,95,865
Other Manufacturing Expenses	52,67,523	56,06,384
Effluent Treatment Plant Expenses	51,67,186	50,62,330
<b>TOTAL</b>	<b>5,98,16,183</b>	6,44,66,965

**NOTE 21 : EMPLOYEE BENEFIT EXPENSES**

Particulars	As at 31.03.2019	As at 31.03.2018
Managerial Remuneration	88,80,000	1,03,20,000
Office Staff Salaries	1,71,66,250	1,82,57,319
Factory Wages & Salaries	2,93,96,429	3,06,84,323
Employees Benefit	63,03,355	48,15,435
Incentives	25,30,237	27,42,483
Gratuity expenses	18,99,306	18,51,482
Contribution to P.F and E.S.I	48,87,690	53,42,680
<b>TOTAL</b>	<b>7,10,63,267</b>	<b>7,40,13,722</b>

**NOTE 22 : FINANCE COSTS**

Particulars	As at 31.03.2019	As at 31.03.2018
Interest Charges	20,91,01,293	20,34,36,567
Dividend on redeemable Preference shares	-	6,36,050
Finance charge on preference share	72,91,858	1,32,61,219
Other borrowing Charges	19,55,142	34,19,723
Bank and Finance Charges	6,63,581	2,54,247
<b>TOTAL</b>	<b>21,90,11,874</b>	<b>22,10,07,806</b>

**NOTE 23 : OTHER EXPENSES**

Particulars	As at 31.03.2019	As at 31.03.2018
Rent	27,03,708	27,03,708
Lease Rental Charges	2,75,24,384	2,57,12,207
Rates, Taxes, Licences & Fees	53,62,702	53,02,109
Printing & Stationery	7,62,018	11,38,112
Postage & Telephones	17,42,528	23,13,987
Office Electricity & Water	1,31,38,108	1,26,51,931
Travelling & Conveyance	24,43,674	32,16,553
Advertisement & Publicity	16,35,228	4,10,993
Agents Commission	37,68,057	43,29,594
Selling Expenses	1,84,75,561	1,60,59,413
Insurance	27,12,906	26,35,606
Remuneration to Auditors :		
Audit Fees	3,50,000	3,50,000
Tax Audit Fees	1,00,000	1,00,000
Directors' Sitting Fees	2,50,000	1,95,000
Legal & Professional Charges	21,75,784	17,46,123
Repairs to Plant & Machinery	16,46,253	30,47,526
Repairs to Buildings	5,84,846	6,34,337
Repairs to Other Assets	38,73,261	49,02,683
Vehicle Maintenance	14,05,858	9,71,984
Miscellaneous Expenses	13,81,133	15,44,609
Loss on Sale of Fixed Assets	-	51,877
CSR Expenses( Refer Below Note)	8,99,567	-
<b>TOTAL</b>	<b>9,29,35,576</b>	<b>9,00,18,352</b>

Notes :

In accordance with the provisions of section 135 of the Companies Act, 2013 the Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was to spend a sum of ` 8.99 Lakhs towards CSR activities during the year ended 31 March 2019. The CSR Committee has been examining and evaluating suitable proposals for deployment of the funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course.

Particulars	Opening balance as on 01.04.2018	To be spent for the Current year (2018-19)	Amount Spent during the year	Balance as at 31.03.2019 (carry forward)
Corporate social responsibility	-	8,99,567	-	8,99,567

**ATTENDANCE SLIP**

**Vijay Textiles Limited**

Registered Office: Surya Towers, Ground Floor, 104, Sardar Patel Road, Secunderabad - 500 003.

CIN: L18100TG1990PLC010973. Tel No: 040-27848479, E-mail ID: info@vijaytextiles.in

**29<sup>th</sup> Annual General Meeting, Friday,  
27<sup>th</sup> September, 2019 at 10.15 A.M**

DP.Id* :
Client Id* :

Reg. Folio No :
No. of Shares :

Name and address of the Shareholder: .....

.....  
.....

I certify that I am a member/proxy for a member of the Company. I hereby record my presence at the 29<sup>th</sup> Annual General Meeting of the Company, at FTCCI Surana Auditorium, The Federation of Telangana Chambers of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500 004 at 10.15 A.M. on Friday, 27<sup>th</sup> September, 2019

\_\_\_\_\_  
\*\* Member's/Proxy's name in Block Letters

\_\_\_\_\_  
\*\*Member's/Proxy's Signature

Note:1. Member/Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.

\* Applicable for Investors holding shares in electronic form.

\*\* Strike out whichever is not applicable

**NO GIFTS WILL BE DISTRIBUTED AS PER GOVERNMENT NOTIFICATION**



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## Vijay Textiles Limited

Registered Office: Surya Towers ,Ground Floor, 104, Sardar Patel Road, Secunderabad - 500 003.  
CIN: L18100TG1990PLC010973. Tel No: 040-27848479, E-mail ID: [info@vijaytextiles.in](mailto:info@vijaytextiles.in)

### FORM NO: MGT-11

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

Name of the Company	Vijay Textiles Limited(CIN : L18100TG1990PLC010973)
Registered office	Surya Towers ,Ground Floor, 104, Sardar Patel Road, Secunderabad - 500 003
Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No./DP ID-Client ID	

I/We, being the member(s) holding \_\_\_\_\_ equity shares of the above named Company, hereby appoint.

1. Name : \_\_\_\_\_ Address: \_\_\_\_\_  
E.mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him/her
2. Name : \_\_\_\_\_ Address: \_\_\_\_\_  
E.mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him/her
- 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 29<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, 27<sup>th</sup> September, 2019, 10.15 A.M. at FTCCI Surana Auditorium, The Federation of Telangana Chambers of Commerce & Industry, The Federation House, 11-9-84, Red Hills, Hyderabad- 500 004 and at any adjournment thereof.

#### Resolutions:

1. Approval of financial statements for the year ended 31.03.2019.
2. Re- Appointment of Mr. Susheel Kumar Gupta, who retires by rotation.
3. Ratification of payment of Remuneration to Cost Auditors.
4. Continuation of Shri. Vijay Kumar Gupta as Chairman and Managing Director of the Company.
5. Re-Appointment of Shri. Vijay Kumar Gupta as Chairman and Managing Director of the Company.
6. Payment of Remuneration to Shri. Susheel Kumar Gupta as Whole Time Director and CFO of the Company.
7. Appointment of Shri. CA Pankaj Kumar Trivedi as Independent Director of the Company.
8. Re-appointment of Shri. Srikanth Reddy Muppidi as Independent Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

- Note:**
1. Proxy need not be a member.
  2. Proxy Form, complete in all respects, should reach the Registered Office of the Company on or not later than 48 hours before commencement of the Meeting.

Please  
Affix ` 1/-  
Revenue  
Stamp

**Signature**

NO GIFTS WILL BE DISTRIBUTED AS PER GOVERNMENT NOTIFICATION

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## Vijay Textiles Limited

CIN: L18100TG1990PLC010973.

Name of the Company: Vijay Textiles Limited

Registered Office: Surya Towers ,Ground Floor, 104, Sardar Patel Road, Secunderabad - 500 003.

Tel No: 040-27848479, E-mail ID: info@vijaytextiles.in

**29<sup>th</sup> Annual General Meeting, Friday, 27<sup>th</sup> September, 2019 at 10.15 A.M**

### VOTING BY BALLOT

DP.Id*
Client Id*

Reg. Folio No :
No. of Shares :

Name and address of the Shareholder: \_\_\_\_\_

Please indicate "V" in the appropriate column against the Resolutions indicated in the box below:

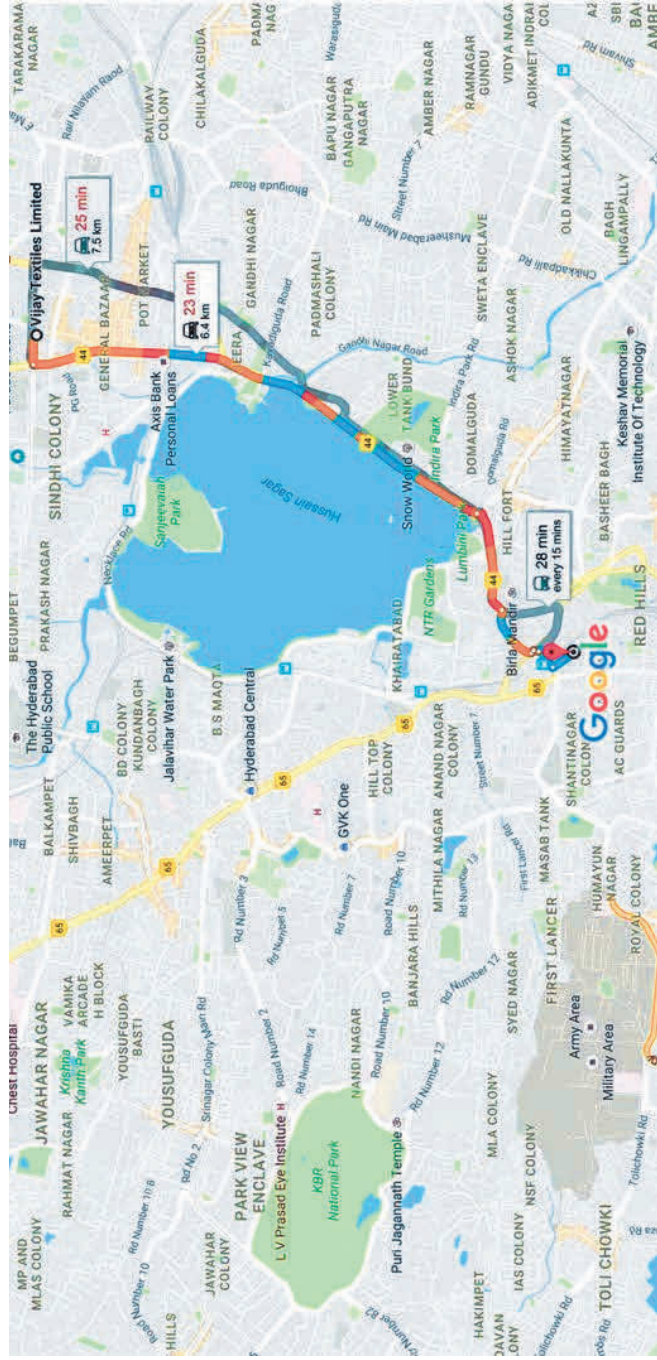
Sl No	Resolutions	For	Against
	<b>Ordinary Business</b>		
1..	Approval of Audited Financial Statements for the financial year 2018-2019		
2.	Re-appointment of Mr Susheel Kumar Gupta, who retires by rotation		
	<b>Special Business:</b>		
3.	Ratification of payment of Remuneration to Cost Auditors		
4.	Continuation of Shri. Vijay Kumar Gupta as Chairman and Managing Director of the Company		
5.	Re-Appointment of Shri. Vijay Kumar Gupta as Chairman and Managing Director of the Company.		
6.	Payment of Remuneration to Shri. Susheel Kumar Gupta as Whole Time Director and CFO of the Company		
7.	Appointment of Shri. CA Pankaj Kumar Trivedi as Independent Director of the Company		
8.	Re-appointment of Shri. Srikanth Reddy Muppidi as Independent Director of the Company		

\*\*Member's/Proxy's Signature



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# Route Map to AGM Venue



*If undelivered, Please return to* \_\_\_\_\_



**Corporate Office:**

Surya Towers, Ground Floor, 104, Sardar Patel Road,  
Secunderabad, Telangana - 5000 003.

Tel: 27848479 / 27844086. Facsimile: +91-40-2784 6849

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