

POLYTEX INDIA LIMITED

401, 4thFloor, Nisarg Apartment, Besant Road, Vile Parle (W), Mumbai – 400056
Tel.:91-022-67147824/827 • Fax No : 91-022-67804776 • Website : www.polytexindia.com •
Email : polytexindia@gmail.com, CIN : L51900MH1987PLC042092

September 05, 2020

To,
Corporate Services Department
The BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai-400 001.

Sub: Annual Report for the Financial Year ended March 31, 2020 and Notice of the 34th Annual Report Meeting (AGM):

Ref: Scrip Code: 512481

Respected Sir/Madam,

The Annual General Meeting of the Company is Schedule to be held on Wednesday, September 30, 2020. Please find enclosed the Integrated Annual Report of the Company for the Financial Year 2019 -20 which includes the Notice of 34th AGM.


You are requested to kindly take above information on your record.

Thanking You,

Yours Faithfully,

For Polytex India Ltd.

PARESH
MULJI
KARIYA



Digitally signed by PARESH MULJI KARIYA
DN: c=IN, o=Personal,
2.5.4.20=304445749c0681a7d481e189872d
7123604c424d48f85c4c73584335274e957
, postalCode=400059, st=MAHARASHTRA,
serialNumber=3706327245839c94a881c2
986c374f63939e92c9e944cc7b592a464da
d5ca1, cn=PARESH MULJI KARIYA
Date: 2020.09.05 15:30:47 +05'30'

Paresh Mulji Kariya
Din: 00215937
Whole Time Director

POLYTEX INDIA LTD

34th ANNUAL REPORT 2019-2020

REGISTERED OFFICE

401, 4th Floor, Nisarg Apartment,
Besant Road, Vile Parle (West),
Mumbai - 400056
Tel No. 022-67147827

BOARD OF DIRECTORS

Mr. Paresch Mulji Kariya : Whole Time Director
Mr. Arvind Mulji Kariya : Whole Time Director and CFO
Mr. Nitin Khimji Kariya : Independent Director
Mrs. Priti Sagar : Independent Director
Mr. Sachchidanand Rajaram Adam : Independent Director
Mr. Avinash Pratap : Company Secretary and Compliance officer appointed at 25.11.2019

BANKERS

Bank of India
HDFC Bank

AUDITORS

M/s. Agrawal Jain & Gupta.
Chartered Accountants,
Mumbai

REGISTRAR & TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd
C-101, 247 Park,
LBS Marg, Vikhroli(West)
Mumbai, 400083
ISIN:INE012F01016

WEBSITE

www.polytexindia.com

Email:

polytexindia@gmail.com

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NOTICE

NOTICE is hereby given that the 34th Annual General Meeting (AGM) of the members of Polytex India Ltd will be held on Wednesday, September 30, 2020, at 10.00 a.m. at 1st Floor, Nisarg Apartment, Besant Road, Vile Parle – West, Mumbai - 400056 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the financial year ended March 31, 2020 and the report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Paresh Mulji Kariya (Din: 00215937) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, **M/s. Agrawal Jain And Gupta, Chartered Accountants, (FRN.: 013538C)** be and is hereby appointed as the Statutory Auditors of the Company and shall hold office from the conclusion of this 34th Annual General Meeting until the conclusion of 39th Annual General Meeting and their appointment shall be ratified at the every Annual General Meeting till 39th Annual General Meeting, on such remuneration as may be determined by the Board of Directors.”

RESOLVED FURTHER THAT Board be and is hereby authorized to fix the remuneration of Statutory Auditors of the Company as recommended by the Audit Committee in addition to reimbursement of our pocket expense.

AS SPECIAL BUSINESS:**Item no. 4**

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

RE-APPOINTMENT OF MR. PARESH MULJI KARIYA, WHOLE-TIME DIRECTOR

“RESOLVED THAT in pursuance of the provisions of Sections 196,197,203 and other applicable provisions, if any,

of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Paresh Mulji Kariya (DIN:00215937), as a Whole-time Director of the Company for a period of 5 (five) years from April 01, 2021 to March 31, 2026 for an amount not exceeding Rs. 2,00,000/- p.m., on such terms & conditions of remuneration as set out in the Explanatory Statement annexed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the Registrar of Companies and regulatory authorities.”

Item no. 5

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

RE-APPOINTMENT OF MR. ARVIND MULJI KARIYA, WHOLE-TIME DIRECTOR

“RESOLVED THAT in pursuance of the provisions of Sections 196,197,203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Arvind Mulji Kariya (DIN: 00216112), as a Whole-time Director of the Company for a period of 5 (five) years from April 01, 2021 to March 31, 2026 for an amount not exceeding Rs. 2,00,000/- p.m., on the terms & conditions of remuneration as set out in the Explanatory Statement annexed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the Registrar of Companies and regulatory authorities.”

Item No.6

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

Reappointment of Mr. Sachchidanand Rajaram Adam, (Din 07109630) as an Independent Director of the Company for a Second Term of Five Years.

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013('the Act') and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee, Mr. Sachchidanand Rajaram Adam, (Din 07109630), who was appointed as an Independent Director of the Company for a term up to 30th September, 2020, being eligible for being reappointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 signifying intention to propose Mr. Sachchidanand Rajaram Adam, (Din 07109630), as a candidate for the office of Director, be and is hereby reappointed as an Independent Director of the Company, to hold office with

effect from September 30, 2020 up to September 30, 2025, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein, to any committee of Directors, with power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things and also to execute such documents, writings, etc., as may be necessary in this regard.”

By and Behalf of the Board of Directors

Polytex India Ltd.

Paresh Mulji Kariya
Whole Time Director

Registered Office:

401, 4th Floor, Nisarg Apartment,
Besant Road, Vile Parle (West),
Mumbai – 400056

Mumbai, 28th August, 2020

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the company at the registered office not less than 48 Hours before the meeting
2. A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company. In case proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
4. A statement giving details of Director seeking re-appointment under item no. 4, 5 and 6 of the accompanying notice as required by Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is annexed herewith
5. The Register of members and share transfer books of the company will remain closed from September 22, 2020 to September 30, 2020 (both days inclusive).
6. Members are requested to furnish their Bank Account details, Changes of address, e-mail address etc. to the Company's Registrars and Transfer Agent viz. M/s. Link Intime India Pvt. Ltd. at the address mentioned on cover page, in respect of shares held in the physical form and to their respective Depository Participants, if shares are held in electronic form.
7. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
8. Members may note that 34th AGM Notice, Annual Report 2019-20 of the Company is also available on the Company's website at www.polytexindia.com so on the website of the respective Stock Exchange at www.bseindia.com.
9. Electronic copy of the Annual Report for 2019-20 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purpose unless any members 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 2019-20 is being sent in the permitted mode.
10. All the members who have either not received or have not yet encashed their dividend warrant(s) for the last 7 financial years, in which whenever the dividend was declared, till date are requested to write to the Company's Registrar and Share Transfer Agent at the address mentioned below for obtaining duplicate dividend warrant without further delay.
11. Members are requested to note that as section 123 of the Companies Act, 2013, the dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account, is liable to be transferred by the Company to the "Investor Education Protection Fund" (IEPF) established by the Central Government.
12. Members desirous of getting any information about accounts of the Company are requested to send their queries at the Registered Office of the Company at least 10 days prior to the date of meeting so that the requisite information can be readily made available at the meeting.
13. Members / proxies are requested to bring the copies of annual report and attendance slip duly filled while attending the meeting.
14. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from Link in time India Pvt Ltd and have it duly filled and sent back to them.

15. The Securities and Exchange Board of India has notified that the shareholders/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders / transferee of shares (including joint holders) are requested to furnish a self-attested copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action.
16. SEBI has decided that securities of listed companies can be transferred only in dematerialized form from with effect from December 05, 2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
17. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration Rules) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Deository Participants(s)]:
- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Name of the company".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.
18. Corporate / Institutional shareholders (corporate / Fls / Flls / Trust / Mutual Funds /Banks,etc) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution /Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at ruchilgandhi77@gmail.com
19. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.
20. The e-voting portal will be open for voting from Sunday, 27th September, 2020 (10.00 a.m. IST) to Tuesday, 29th September, 2020 (5.00 p.m. IST). During this period, Members of the Company, holding shares

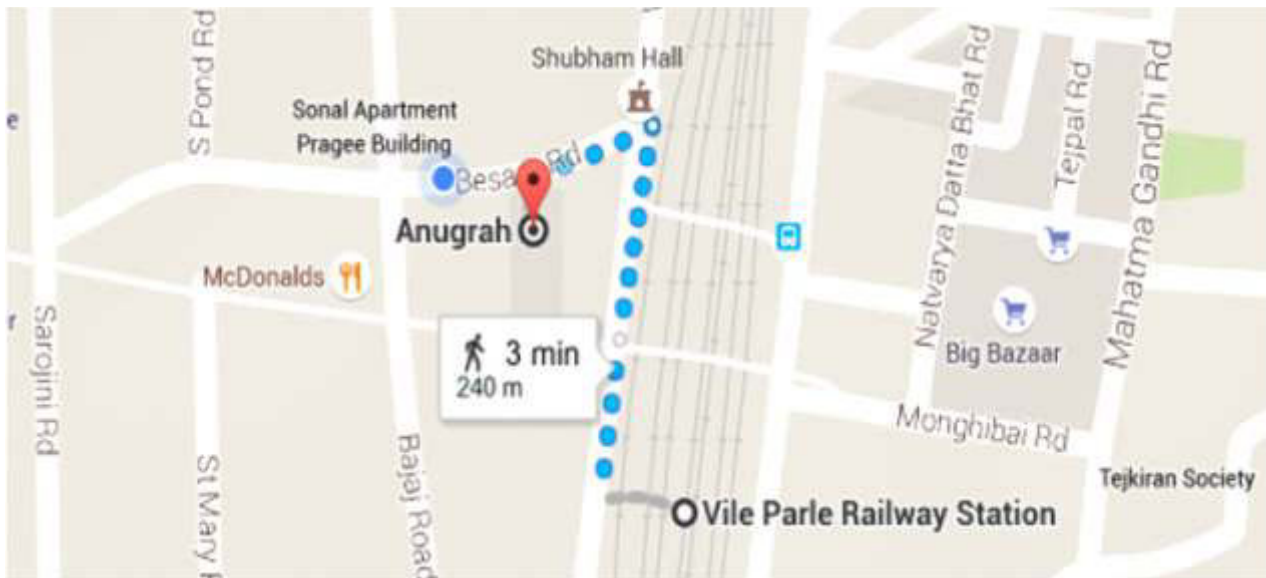
either in physical form or in dematerialized form, as on 21st September, 2020, may cast their vote electronically. The e-voting module shall be disabled by National Securities Depository Limited (NSDL) for voting thereafter.

21. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on 21st September, 2020,
22. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.
23. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
24. The results of e-voting will be placed by the Company on its website: www.polytexindia.com within Two days of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.
25. The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.
26. Mr. Ruchil Gandhi, of M/s. Ruchil Gandhi & Associates, Practicing Company Secretaries, (Membership No.48715) has been appointed as the Scrutinizer to scrutinize the e-voting process.
27. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the

meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

28. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
29. The Scrutinizer after scrutinizing the votes cast at the Annual General Meeting and through remote e-voting will not later than three days of the conclusion of Annual General Meeting make a consolidated Scrutinizer's Report and submit the same to the Chairman.
30. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.polytexindia.com and on the website of NSDL and communicated to the BSE Limited (BSE where the shares of the Company are listed).
31. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut -off date i.e. 21st September, 2020 may follow the same procedure as mentioned above for e-Voting. However, if you are already registered with NSDL for remote e-voting then you can use your exiting password for casting your vote.

Route map from Vile Parle Railway Station to Nisarg Apartment i.e venue of Annual General Meeting.



Registered Office:
401, 4th floor, Nisarg apartment,
Besant Road, Vile Parle (West),
Mumbai - 400056
Mumbai, 28th August, 2020

By and Behalf of the Board of Directors,
Polytex India Ltd.

Paresh Mulji Kariya
Whole Time Director

Statement pursuant to Section 102 of the Companies Act, 2013

The information of Director being re-appointed as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Director	Mr. Paresh Mulji Kariya	Mr. Arivnd Mulji Kariya	Mr.Sachchidanand Rajaram Adam
DIN	00215937	00216112	007109630
Date of Birth	02-02-1968	23-04-1965	15-09-1981
Nationality	Indian	Indian	Indian
Date of Appointment on the Board	31-01-2008	31-01-2008	30-09-2015
Qualification	Commerce Graduate	Commerce Graduate	Bachlor of Arts
Expertise	He has more than 24 years of experience in Stock Market. He has comprehensive knowledge and insight in dealing and settlement procedures. He is in-charge of operations, back office management and risk management. Also having experience in the field of Stock Broking, Commodities Broking and financial expertise.	He has more than 22 years of experience in Stock Market. He has comprehensive knowledge and insight in dealing and settlement procedures. He is in-charge of operations, back office management and risk management. Also having experience in the field of Stock Broking, Commodities Broking, Insurance Agency, Mutual Funds Distribution	Administration
Number of shares held in the Company	20,97,500	23,87,500	NIL
List of Directorships held in other companies	1. Wadgad Fincap Limited 2. Anugrah Stock And Broking Private Limited 3. Rapid Credits And Mercantiles Private Limited 4. Anugrah Portfolio Advisor Private Limited 5. Anugrah Commodities Private Limited 6. Anugrah Insurance Brokers Private Limited 7. Anugrah Realty Developers Private Limited 8. WW Technology Holdings Limited	1. Wadgad Fincap Limited 2. Rapid Credits And Mercantiles Private Limited 3. Anugrah Insurance Brokers Private Limited 4. Anugrah Realty Developers Private Limited 5. RRuchi Food Plaza Private Limited	NIL
Chairman/ Member of the Committee of the Board of Companies in which he is Director (other than Polytex India Limited)	NIL	NIL	1

Item No.4

The Board of Directors of the Company ("the Board") at its meeting held on June 27, 2020 has, subject to approval of members, appointed Mr.Paresh Mulji Kariya (DIN: 00215937) as the Whole Time Director of the Company, for a further period of 5 (Five) years with effect from May 28, 2021 to May 27, 2026, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NRC Committee') of the Board and approved by the Board of Directors.

The Board of Directors / Nomination & Remuneration Committee after due consideration and deliberation on his qualifications, experience, expertise and responsibilities shouldered by him, thought it prudent and in the best interest of the Company that Mr.Paresh Mulji Kariya be appointed as Whole Time Director of the Company on the terms and conditions and remuneration as mentioned in Resolution No. 4, subject to approval of the Member of the Company by a Special Resolution

The terms and conditions of appointment and remuneration payable to Mr. Paresh Mulji Kariya are as under:-

Period of Appointment: 28th May, 2021 to 27th May, 2026

Terms of Appointment:

Gross remuneration not exceeding @ Rs. 2,00,000/- p.m. (i.e. not exceeding Rs. 24,00,000/- p.a. including Basic Salary, House Rent Allowance and other Perquisites (as detailed below), Bonus, Performance Incentives and other additional perquisites as approved by Board from time to time.

PART "A"

- (i) Housing: The Company shall provide unfurnished accommodation to the Whole Time Director. If no accommodation is provided, House Rent Allowance @ 25 % of the monthly Salary or as per Companies Rule as applicable to other employee whichever is more, shall be payable to the Whole Time Director and he is also eligible for reimbursement of expenses/allowances for utilization of gas, electricity, water and the same will be valued as per Income Tax Rule, 1962.
- (ii) Medical Reimbursement: The Reimbursement of

medical expenses incurred by the Whole Time Director for self and family subject to ceiling of one month's salary in a year or five months' salary over a period of five years.

- (iii) Leave Travel Concession: Leave Travel Concession for the Whole Time Director and his family in a year in accordance with the Rules & Regulation of the Company.

(iv) Personal Accident Insurance: Personal Accident Insurance of an amount of the annual premium of which does not exceed one-month salary or Rs. 10,000/- per annum whichever is lower.

PART "B"

- i) Companies Contribution to Provident and Other Fund: Companies Contribution to Provident Fund, superannuation Fund or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- ii) Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of services.
- iii) Leave Encasement: Encasement of leave at the end of tenure will be permitted in accordance with the rules of the Company.

PART "C"

- i) Car: The Company shall provide Car with driver while on service.
- ii) Telephone: Telephone facility at the residence of the Mr.Paresh Mulji Kariya for use of Company's business. Reimbursement of telephone bills at residence with the condition that personal long distance calls should be logged and paid by him.
- iii) Leave: Leave on full pay and allowance, at the rate of one month for every eleven months of service. The Company shall pay or reimburse the appointee for all the cost, charges, expenses that may be incurred by him for the purpose of the business of the Company.

For the purpose of computing ceiling on perquisites, the same will be valued as per Income Tax Rules, 1962 wherever applicable.

The following perquisites however shall not be

included in the computation of the ceiling on remuneration as stated above.

- (a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- (b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- (c) encashment of leave at the end of the tenure.

Notwithstanding the remuneration payable to Mr. Paresh Mulji Kariya as detailed above, wherein any financial year during tenure of office of Mr. Paresh Mulji Kariya, the Company has no profits or its profits are inadequate the Company shall pay remuneration to Mr. Paresh Mulji Kariya by way of Salary, perquisites and other allowance as the case be, such amount not exceeding the limits prescribed in Clause A of Section II of Part II of Schedule V of the Companies Act, 2013 or within such ceiling limits as maybe recodified unless otherwise approved by the Central Government.

Particulars	For the Year ended 31.03.2020 (Rs.)
Total Income	678,668
Net Profit Before Depreciation and Tax	678,668
Depreciation	0
Net Profit Before Tax	678,668
Provision for Taxation	112,974
Net Profit after Tax	565,694

4. Foreign Investments or Collaborators: The Company has not made any investment in foreign body corporate or foreign entities. The Company do not have any foreign collaboration and has not received or invested any money towards foreign collaboration and hence no information to be provided in this respect.

II: Information about the Appointee:

1. Brief Profile of Appointee: Mr. Paresh Mulji Kariya holds B.Com Degree and has more than 24 years of experience in Stock market. Mr. Paresh Mulji Kariya has been involved in the activities of the Company since 2008. He is pioneer in the management and operation of the Company. He overlooks the business development in retail, institutional segment, Corporate Finance and Franchisees / branches expansion.
2. Past remuneration: In the past, Mr. Paresh Mulji Kariya has drawn Remuneration not exceeding Rs.

STATEMENT OF INFORMATION AS REQUIRED UNDER PROVISIO TO SCHEDULE V, PART II, SECTION II:

I: General Information about the Company:

1. Nature of Industry: The Company is a Registered Non Banking Finance Company and it is mainly engaged in the business of financing of companies.
2. Date of Commencement of Commercial Production: The Company was incorporated on 05th January, 1987. However the Company got the Registration Certificate of Non Banking Finance Company 20th February, 1998. Immediately thereafter, the Company has commenced is into the Business of NBFC.
3. Financial Performance Based on Given Indicators: The financial data as per last audited Balance Sheet as on 31st March, 2020, are as under:

- 2,00,000/- p.m. from the Company.
3. Recognition and Award received in past: Mr. Paresh Mulji Kariya is associated with the various Social Organizations. However there is no reportable Recognition and Award received.
4. Job Profile and Suitability: Mr. Paresh Mulji Kariya is responsible for administration and direction for the organization. He is responsible for overall strategy and planning of the Company.
5. Remuneration proposed: It is proposed to pay Managerial Remuneration to Mr. Paresh Mulji Kariya for an amount not exceeding Rs. 2,00,000/- per month.
6. Comparative Remuneration in the Industry: Considering the nature of industry and speciality of services rendered by Paresh Mulji Kariya and also

considering the complex role performed by Mr. Paresh Mulji Kariya, no comparative remuneration of industry is available for information.

7. Material Pecuniary Relationship: Mr. Paresh Mulji Kariya is a Whole Time Director and brother of Mr. Arvind Mulji Kariya and draws remuneration from the Company.

III: Other information:

- Reason for inadequate Profit and measures taken for improvement: In spite of various measures taken by the Government, NBFC is continue to be an Un-organised Sector to a large extent. Stricter Government norms and policies, cut throat competition with Banks have resulted in substantial pressure on margin.
- Steps taken and proposed to be taken for improvement: The Company is taking every possible steps to increase the business volume and thereby profitability. Measures have been taken to controls costs and overheads.
- Expected Increase in Profits in Measurable Terms: Considering the proposed businesses and volatile market condition, it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However company expects 15% to 20 % growth in income and profitability in next 3 years. The appointment can be terminated by either party by giving 3 months' notice.

The copy of memorandum showing terms of appointment and payment of remuneration to Mr. Paresh Mulji Kariya will be available for inspection of the members at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working day in terms of Section 190 of the Companies Act, 2013.

As required by the Companies Act, 2013, approval of the members is being sought, for the re-appointment and payment of remuneration of Mr. Paresh Mulji Kariya, Whole time Director. Accordingly, as per the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members., to the extent of their shareholdings, if any, in the Company) none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution proposed in Item No. 4.

Item No.5

The Board of Directors of the Company ("the Board") at its meeting held on June 27, 2020 has, subject to approval of members, appointed Mr. Arvind Mulji Kariya (DIN: 00216112) as the Whole Time Director of the Company, for a further period of 5 (Five) years with effect from May 28, 2021 to May 27, 2026, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NRC Committee') of the Board and approved by the Board of Directors.

The Board of Directors / Nomination & Remuneration Committee after due consideration and deliberation on his qualifications, experience, expertise and responsibilities shouldered by him, thought it prudent and in the best interest of the Company that Mr. Arvind Mulji Kariya be appointed as Whole Time Director of the Company on the terms and conditions and remuneration as mentioned in Resolution No. 5, subject to approval of the Members of the Company by a Special Resolution

The terms and conditions of appointment and remuneration payable to Mr. Arvind Mulji Kariya are as under:-

Period of Appointment: 28th May, 2021 to 27th May, 2026

Terms of Appointment:

Gross remuneration not exceeding @ Rs. 2,00,000/- p.m. (i.e. not exceeding Rs. 24,00,000/- p.a. including Basic Salary, House Rent Allowance and other Perquisites (as detailed below), Bonus, Performance Incentives and other additional perquisites as approved by Board from time to time.

PART "A"

- (I) Housing: The Company shall provide unfurnished accommodation to the Whole Time Director. If no accommodation is provided, House Rent Allowance @ 25 % of the monthly Salary or as per Companies Rule as applicable to other employee whichever is more, shall be payable to the Whole Time Director and he is also eligible for reimbursement of expenses/allowances for

utilization of gas, electricity, water and the same will be valued as per Income Tax Rule, 1962.

- (ii) Medical Reimbursement: The Reimbursement of medical expenses incurred by the Whole Time Director for self and family subject to ceiling of one month's salary in a year or five months salary over a period of five years.
- (iii) Leave Travel Concession: Leave Travel Concession for the Whole Time Director and his family in a year in accordance with the Rules & Regulation of the Company.
- (iv) Personal Accident Insurance: Personal Accident Insurance of an amount of the annual premium of which does not exceed one month salary or Rs. 10,000/- per annum whichever is lower.

PART "B"

- i) Companies Contribution to Provident and Other Fund: Companies Contribution to Provident Fund, superannuation Fund or Annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- ii) Gratuity: Gratuity payable at a rate not exceeding half a month's salary for each completed year of services.
- iii) Leave Encasement: Encasement of leave at the end of tenure will be permitted in accordance with the rules of the Company.

PART "C"

- i) Car: The Company shall provide Car with driver while on service.
- ii) Telephone: Telephone facility at the residence of the Mr. Arvind Mulji Kariya for use of Company's business. Reimbursement of telephone bills at residence with the condition that personal long distance calls should be logged and paid by him.
- iii) Leave: Leave on full pay and allowance, at the rate of one month for every eleven months of service.

The Company shall pay or reimburse the appointee for all the cost, charges, expenses that may be incurred by him for the purpose of the business of the Company.

For the purpose of computing ceiling on perquisites, the same will be valued as per Income Tax Rules, 1962 wherever applicable.

The following perquisites however shall not be included in the computation of the ceiling on remuneration as stated above.

- (a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- (b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- (c) encashment of leave at the end of the tenure.

Notwithstanding the remuneration payable to Mr. Arvind Mulji Kariya as detailed above, wherein any financial year during tenure of office of Mr. Arvind Mulji Kariya the Company has no profits or its profits are inadequate the Company shall pay remuneration to Mr. Arvind Mulji Kariya by way of Salary, perquisites and other allowance as the case be, such amount not exceeding the limits prescribed in Clause A of Section II of Part II of Schedule V of the Companies Act, 2013 or within such ceiling limits as maybe recodified unless otherwise approved by the Central Government.

STATEMENT OF INFORMATION AS REQUIRED UNDER PROVISIO TO SCHEDULE V, PART II, SECTION II:

I: General Information about the Company:

1. Nature of Industry: The Company is a Registered Non Banking Finance Company and it is mainly engaged in the business of financing of companies.
2. Date of Commencement of Commercial Production: The Company was incorporated on 05th January, 1987. However the Company got the Registration Certificate of Non Banking Finance Company 20th February, 1998. Immediately thereafter, the Company has commenced is into the Business of NBFC.
3. Financial Performance Based on Given Indicators: The financial data as per last audited Balance Sheet as on 31st March, 2020, are as under:

Particulars	For the Year ended 31.03.2020 (Rs.)
Total Income	678,668
Net Profit Before Depreciation and Tax	678,668
Depreciation	0
Net Profit Before Tax	678,668
Provision for Taxation	112,974
Net Profit after Tax	565,694

4. Foreign Investments or Collaborators: The Company has not made any investment in foreign body corporate or foreign entities. The Company do not have any foreign collaboration and has not received or invested any money towards foreign collaboration and hence no information to be provided in this respect.

II: Information about the Appointee:

1. Brief Profile of Appointee: Mr. Arvind Mulji Kariya holds B.Com Degree and has more than 24 years of experience in Stockmarket. Mr. Arvind Mulji Kariya has been involved in the activities of the Company since 2008. He is pioneer in the management and operation of the Company. He overlooks the business development in retail, institutional segment, Corporate Finance and Franchisees / branches expansion.
2. Past remuneration: In the past, Mr.Arvind Mulji Kariya has drawn Remuneration not exceeding Rs. 2,00,000/- p.m. from the Company.
3. Recognition and Award received in past: Mr.Arvind Mulji Kariya is associated with the various Social Organizations. However there is no reportable Recognition and Award received.
4. Job Profile and Suitability: Mr. Arvind Mulji Kariya is responsible for administration and direction for the organization. He is responsible for overall strategy and planning of the Company.
5. Remuneration proposed: It is proposed to pay Managerial Remuneration to Mr. Arvind Mulji Kariya for an amount not exceeding Rs. 2,00,000/- per month.
6. Comparative Remuneration in the Industry: Considering the nature of industry and specialty of services rendered by Mr. Arvind Mulji Kariya and also considering the complex role performed by Mr. Arvind Mulji Kariya, no comparative remuneration of industry is available for information.

7. Material Pecuniary Relationship: Mr. Arvind Mulji Kariya is a Whole Time Director and brother of Mr. Paresh Mulji Kariya and draws remuneration from the Company.

III: Other information:

1. Reason for inadequate Profit and measures taken for improvement: In spite of various measures taken by the Government, NBFC is continue to be an Un-organised Sector to a large extent. Stricter Government norms and policies, cut throat competition with Banks have resulted in substantial pressure on margin.
2. Steps taken and proposed to be taken for improvement: The Company is taking every possible steps to increase the business volume and thereby profitability. Measures have been taken to controls costs and overheads.
3. Expected Increase in Profits in Measurable Terms: Considering the proposed businesses and volatile market condition, it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However company expects 15% to 20 % growth in income and profitability in next 3 years.

The appointment can be terminated by either party by giving 3 months notice.

The copy of memorandum showing terms of appointment and payment of remuneration to Mr.Arvind Mulji Kariya will be available for inspection of the members at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working day in terms of Section 190 of the Companies Act, 2013.

As required by the Companies Act, 2013, approval of the members is being sought, for the re-appointment and payment of remuneration of

Mr. Arvind Mulji Kariya, Whole time Director. Accordingly, as per the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members. to the extent of their shareholdings, if any, in the Company) none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution proposed in Item No. 5.

Item no 6.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors, an Independent Director shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation.

The Directors of the Company (based on the recommendation of Nomination and Remuneration Committee) had on August 28, 2020 appointed Mr. Sachchidanand Rajaram Adam as a Independent Non-Executive Director, to hold office upto the date of next Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of Rs.1,00,000/- (Rupees One Lakh only) proposing the candidature of Mr. Sachchidanand Rajaram Adam for the office of the director.

Mr. Sachchidanand Rajaram Adam has given declaration that he meet the criteria of independence

as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company.

A brief profile of Mr. Sachchidanand Rajaram Adam is attached to this notice.

Your Directors recommend the resolution set out at Item no. 6 to be passed as an Ordinary resolution by the members.

Except Mr. Sachchidanand Rajaram Adam, being the appointee, none of the Promoter, Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution set out at Item no. 6.

Registered Office:

401, 4th Floor, Nisarg Apartment,
Besant Road, Vile Parle (West),
Mumbai - 400056

By and Behalf of the Board of Directors

Polytex India Ltd.

Paresh Mulji Kariya
Whole Time Director

Mumbai, 28th August, 2020

To,
The Members
Polytex India Limited
Mumbai

Your Directors have pleasure in presenting their 34th Annual Report with the audited accounts for the year ended 31st March, 2020.

1. Financial Results

During the year under review, the Company has earned total income of Rs. 7,178,007 and earned a profit of Rs. 478,102 after providing for provision for taxation of Rs. 115,084 (Including provision for deferred Tax).

Your directors are hopeful of achieving better results in current year.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit Before Depreciation and Tax	678,668	1,315,821
Depreciation	-	-
Profit before Tax	678,668	1,315,821
Provision for Tax	(157,890)	(338,000)
Deferred Tax	(2578)	(4297)
Previous Years Adjustments	47494	1451
Profit After Tax	565694	974975
Transferred to General Reserve	-	-
Surplus in the Statement of P & L Account	565694	974975

*Previous year's figures have been regrouped / rearranged wherever necessary

2. Operations of the Company

The overall performance during the year under review has not been quite satisfactory due to recession in the overall market. The company is deploying its resources in the best possible way to increase business volumes and plans to achieve increased turnover in the current year.

3. IMPACT OF COVID-19

Close to closure of FY 2020, India witnessed advent of COVID-19 pandemic, which has rapidly developed in many countries across the globe. This forced the Union and State Governments to enforce strict lockdown and social distancing measures which has affected the economy.

For FY 2020, the impact of COVID-19 pandemic on Company's operations and financials has been trivial. Post March 2020, the Company's challenge in carrying out operational activities centers around coordinating

effectively with logistics, and facilitation of movement for the employees.

Your Company's management has taken pre-emptive measures to address the impending adversity. The Company is optimistically poised to maintain its operational and financial strength. However, the element of uncertainty prevails as to what extent this pandemic will play with its severity in coming months to impact business and society at large.

The Company focused on the health and well-being of its employees. The concept of Work from Home has been streamlined and employees were encouraged to give their measurable output to maintain continuity across functions of the organization

4. Dividend

Considering the need to conserve resources for

future projects, your Directors have not recommended any dividend for the financial year ended 31st March, 2020.

5. Share Capital

During the year under review, there was no change in the Share Capital structure and the paid up capital of the Company.

6. Public Deposits

The Company has not accepted any fixed deposits from public, or its employee during the year

7. Particulars of Loans, Guarantees or Investments

Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report. However, it is to be noted that the Company being the Registered NBFC, the provision of section 186 is not applicable to the Company

8. Particulars of Contracts or arrangements with related parties

All related party transaction entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with related parties which may have potential conflict with interest of the company at large. The particulars of such contract or arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the companies Act, 2013 are attached herewith in Annexure I in Form No. AOC-2.

All related party transactions are approved by the Audit Committee. Prior omnibus approval is obtained from the Audit Committee in respect of the transactions which are repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted are reviewed on a quarterly basis by the audit committee.

The Policy of Related Party transaction / Disclosures are approved by the Board is posted on the Company's website viz www.polytexindia.com

9. Number of meeting of Board of Directors

The Board of Directors of the Company met Eight (8)

times during year 2019-20 on, 04.04.2019, 17.05.2019, 13.08.2019, 31.10.2019, 14.11.2019, 25.11.2019, 02.01.2020 and 04.02.2020. The details of various Board Meetings are provided in the Corporate Governance Report that forms part of this Annual Report. The gap intervening between two meetings of the board is as prescribed in the Companies Act, 2013.

Additionally, during the financial year ended March 31, 2020 the Independent Director held a separate meeting on 15.03.2020 in compliance with the requirements of Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. All the Three Independent Directors have attended the meeting.

10. Directors and Key Managerial Personnel

Pursuant to Section 152 of the Companies Act, 2013, Mr. Paresh Mulji Kariya, Director of the Company, retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Avinash Pratap had been appointed as a Company Secretary and Compliance officer of the Company w.e.f 25.11.2019.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has approved Appointment of Mr. Paresh Mulji Kariya and Mr. Arvind Mulji Kariya, Director of the Company as Whole Time Director of the Company for a period of 5 (Five) years with effect from May 28, 2021 to May 27, 2026

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee has also recommended Reappointment of Mr. Sachchidanand Rajaram Adam, (Din 07109630) as an Independent Director of the Company for a Second Term of Five Years.

11. Declaration of Independent Directors

The Company has received necessary declaration from the each Independent Directors under section 149(7) of the Companies Act, 2013, that he/ she meets the criteria for independence as laid down in Section 149(6) of the Companies Act,

2013 and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

12. Directors' Responsibility Statement

In compliance with Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms the following:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit and loss of the Company for the year ended March 31, 2020,
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively,
- f) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and under regulation 25 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre - determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole,

its committees and also the evaluation of Individual Directors. While the individual Directors' Performance was reviewed by the Chairman and the rest of the Board excluding the Director being evaluated, the Chairman's and Non - Independent Directors performance was appraised through feedback from Independent Directors.

14. Policy relating to remuneration of Directors, Key Managerial Personnel and other Employees

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed and adopted the policy for selection and appointment of Directors, senior management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report which forms part of this Report. The policy lays down criteria for selection of directors and senior management such as expertise, experience and integrity of the directors, Independent nature of the Directors, personal and professional standing, diversity of the Board etc.

As on 31.03.2020, the NRC comprises of the following members:

Mr. Nitin Khimji Kariya	- Chairman
Ms. Priti Rameshbhai Sagar **	- Member
Mr. Sachindanand Rajaram Adam*	- Member

During the year, the committee met four times in the year on 31.10.2019, 25.11.2019, 02.01.2020 and 04.02.2020 all Committee members had attended all the meeting.

*The Member of the Committee, Mr. Sachindanand Rajaram Adam, is a Non-Executive Independent Director term is getting expiry on 30.09.2020, will be re appointed for next term

**The Member of the Committee, Ms. Priti Rameshbhai Sagar, was appointed additional director as on 08.02.2019, was regularized in Annual General Meeting which was held on 30.09.2019.

15. Stakeholders Relationship Committees

As on 31.03.2020, the Company has Stakeholders Relationship Committee comprising of the following three Non-Executive and Independent Directors:

Mr. Nitin Khimji Kariya	- Chairman
Ms. Priti Rameshbhai Sagar*	- Member
Mr. Sachindanand Rajaram Adam**	- Member

The functions performed by the Stakeholders Relationship Committee and the particulars of meetings held and attendance are given in the Corporate Governance Report.

During the year, the committee met four times in the year on 17.05.2019, 13.08.2019, 14.11.2019 and 04.02.2020 all Committee members had attended all the meeting.

*The Member of the Committee, Mr. Sachindanand Rajaram Adam, is a Non-Executive Independent Director term is getting expiry on 30.09.2020, will be re appointed for next term

**The Member of the Committee, Ms. Priti Rameshbhai Sagar, was appointed additional director as on 08.02.2019, was regularized in Annual General Meeting which was held on 30.09.2019

16. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 M/s. Agrawal Jain And Gupta, Chartered Accountants (FRN.: 013538C), the Statutory Auditors of the Company, hold office upto the conclusion of the Thirty nine (39th) Annual General Meeting. However, their appointment as Statutory Auditors of the Company is subject to ratification by the Members at every Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if their appointment is ratified, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

17. Auditors Report

The Auditors Report to the Members on the Accounts of the Company for the financial year ended March 31, 2020 does not contain any qualifications, reservations or adverse remarks.

18. Details of Fraud Reported By Auditors

There were no frauds which are reported to have been committed by employees or officers of the Company. The statutory auditors of the Company have vide their report of even date confirmed that no fraud by the Company and no material fraud on the Company has been noticed or reported during the year

19. Secretarial Auditors

M/s. Ruchil Gandhi & Associates was appointed to conduct the Secretarial Audit of the Company for FY 2019-20, as required under section 204 of the Companies Act, 2013 and rules thereunder. The secretarial audit report for FY 2019-20 forms the part of the annual report as Annexure II of the Board's report.

The Secretarial Audit Report does not contain any material qualification, reservation or adverse remark

20. Audit Committee

As on 31.03.2020, the Company has an Audit Committee comprising of the following three Non-Executive and Independent Directors:

Mr. Nitin Khimji Kariya	- Chairman
Ms. Priti Rameshbhai Sagar**	- Member
Mr. Sachindanand Rajaram Adam*	- Member

During the year under review, the Board has accepted all the recommendation of the Audit Committee.

The functions performed by the Audit Committee and the particulars of meetings held and attendance there at are given in the Corporate Governance Report.

During the year, the committee met five times in the year on 17.05.2019, 13.08.2019, 31.10.2019, 14.11.2019 and 04.02.2020 all Committee members had attended all the meeting.

*The Member of the Committee, Mr. Sachindanand Rajaram Adam, is a Non-Executive Independent Director term is getting expiry on 30.09.2020, will be re appointed for next term

**The Member of the Committee, Ms. Priti Rameshbhai Sagar, was appointed additional director as on 08.02.2019, was regularized in Annual General Meeting which was held on 30.09.2019

21. Internal Financial Control

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. Further Directors are personally overview the adequacy of internal controls.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

22. Vigil Mechanism for Directors and Employee

In Compliance with the provisions of Section 179(9) of the Companies Act, 2013 read has adopted a Whistle Blower Policy as a vigil mechanism for directors and employees of the Company. The Whistle Blower Policy is disclosed on the Company's website www.polytexindia.com.

23. Risk Management Framework

Pursuant to SEBI Listing Regulations, the Company has prepared Risk Management Framework for identifying and evaluating various major business risks faced by the Company. Risk Management Framework aims to lay down the procedure for risk assessment and risk minimization. Risk Management Framework is prepared to ensure internal controls and effectively respond to any changes in the business environment so as to achieve high degree of business performance, limit any negative impact on its working and avail of benefits arising out of any business opportunities.

The audit committee has additional oversight in the area of financial risks and controls.

24. Familiarization Programme for Independent

Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013 mandates the Company to familiarize the Independent Directors with the Company by conducting training programmes. During the year, the Board members were regularly apprised with the overview of the

Company and its operations by the Senior Management team.

During the year, the Board Members are provided with all necessary documents/ reports and internal policies to enable them to familiarize with the Company's procedures and practices and keep themselves abreast of the latest corporate, regulatory and Industry developments.

25. Material changes and commitment affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and date of this report.

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

There are no significant and material orders passed by any Regulator or Court or Tribunal which would impact the going concern status and the company's operation in future.

27. Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any Subsidiary, Joint venture or Associate company. Hence, disclosure of statement containing salient features of the Financial Statements of Subsidiaries/Associate Companies/Joint Ventures in Form AOC-1 is not applicable to the Company

28. Change in the Nature of Business

There has been no change in the nature of Business during the year under review.

29. Particulars of Employees

Information on particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with Rule 5(2) of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is reported to be nil as there are no employees who are in receipt of remuneration above the prescribed limit.

The Ratio of remuneration of each director to the median employee's remuneration and other details in terms of Sub - Section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as Annexure III

30. Annual Return

An extract of the Annual return has been annexed as Annexure IV to the Board Report in compliance with section 92 of the Companies Act 2013 read with applicable Rules made thereunder.

31. Transfer of Unclaimed Dividend to Investor Education and Protection fund

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investors Education and Protection Fund established by the central government under the provisions of section 125 of the Companies Act, 2013.

32. Corporate Governance

We strive to maintain high standard of Corporate Governance in all our interactions with stakeholders. The Company has conformed to the Corporate Governance code as stipulated under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. A separate section on Corporate Governance along with a certificate from the auditors confirming the level of compliance is attached and forms a part of the Board's Report

33. Management Discussion and Analysis Report

Management Discussion and Analysis forms a part of this annual report and is annexed to the Board's Report.

34. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Your Company is not an energy intensive unit, however possibilities are continuously explored to conserve energy and to reduce energy consumption to the extent possible. During the year under review, considering the nature of activities presently being carried on by the Company, categorical information of the Company in terms of the Rules is provided below:

(A) Conservation of energy: (i)	Steps taken or impact on conservation of energy	Regular efforts are made to conserve the energy at all levels. Several environment friendly measures were adopted by the Company such as Installation of capacitors to save power, Installed Thin Film Transistor (TFT) monitors that saves power, LED Lights, Creating environmental awareness by way of distributing the information in electronic form, Minimising air-conditioning usage, Shutting off all the lights when not in use etc
(ii)	Steps taken by the company for utilizing alternate sources of energy	The Company is into Service Industry and hence except Electricity, the Company is not required to use any other alternate source of energy.
(iii)	Capital Investment on energy conservation equipments;	NIL

(B) Technology absorption:

The activities and business of the Company are such that it does not involve use of ultra modern technologies and hence the disclosure under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

(C) Foreign Exchange Earning and Outgo:

During the year under review Company did not earn any foreign exchange and there is no foreign exchange outgo.

35. Disclosure as per the sexual harassment of women at workplace (Prevention, Prohibition and redressal) act, 2013

The Company has in place a prevention of Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were no Complaints received and disposed off during the financial year 2019-20.

36. Information under Regulation 34 (3) read with Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015:

There are no shares in the demat suspense account or unclaimed suspense account.

37. Acknowledgement

Your Directors take this opportunity to express the gratitude to all investors, clients, vendors, bankers, Regulatory and Government authorities, Stock Exchanges and business associates for their cooperation, encouragement and continued support extended to the Company. Your Directors also wish to place on record their appreciation to the Associates for their continuing support and unstinting efforts in ensuring an excellent all round operational performance at all levels.

For and on behalf of the Board of Directors

**Paresh Mulji Kariya
Chairman & Director**

Mumbai, 28th August, 2020

Annexure I
Form AOC - 2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2020, which were not arm's length basis.

2. Details material contract or arrangement or transactions at arm's length basis

(b)	Nature of contracts/arrangements/transactions	Salary	Rent
(c)	Duration of the contracts/arrangements / transactions	5 years	On Going
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Payment of Remuneration	Payment of rent in respect of property used by the company
(e)	Date(s) of approval by the Board	17.05.2019	17.05.2019
(f)	Amount paid as advances, if any:	NIL	NIL

Annexure II
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,

The Members,

POLYTEX INDIA LTD

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by POLYTEX INDIA LTD (hereinafter-called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by POLYTEX INDIA LTD ("the Company") for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are applicable to the Company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not applicable as the Company has not issued ESOPs**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -Not applicable as the Company has not listed its Debt Securities
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable as the Company has not bought back any of its securities during the financial year under review.

(vi) we have also examined the compliances of the provisions of the following other laws applicable specifically to the Company wherein we have also relied on the compliance certificates issued by the head of the respective departments in addition to the checks carried out by us:

1. the Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016
2. Prevention of Money Laundering Act, 2002

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 Listing Agreements entered into by the Company with Stock Exchanges.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned.

We further report that:

1. 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.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Ruchil Gandhi & Associates**
Company Secretaries

Ruchil Gandhi
Proprietor

ACS No. 48715

C. P. No. 21717

UDIN: A048715B000596891

Place: Mumbai

Dated: August 20, 2020

This report is to be read with our letter which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Polytex India Limited

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

Our report 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 contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

**For Ruchil Gandhi & Associates
Company Secretaries**

**Ruchil Gandhi
Proprietor
ACS No. 48715
C. P. No. 21717**

UDIN: A048715B000596891

**Place: Mumbai
Dated: August 20, 2020**

Annexure III

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20.

Mr. Paresh Kariya : 16.10:1

2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20..

Mr. Paresh Kariya (WTD) : 0%

Mr. Arvind Kariya (WTD & CFO) : 0%

*Mr. Avinash Pratap : N.A.

(Company Secretary)

3. The median remuneration of employees of the Company during the financial year 2019-20 was Rs. 149079/-, there was an increase of 1.63% in the median remuneration of employees;

4. There were 5 numbers of permanent employees on the rolls of the Company as on 31st March, 2020.
5. The explanation on the relationship between increase in remuneration and company performance: While recommending increase in remuneration, the Company takes into account various factors like financial performance of the Company and the group, comparison with peers, and consideration towards cost of living adjustments and inflation. Average increase in employee remuneration for the FY 2019-20 is 27.88%. The calculation of average increase in employees' remuneration is done based on comparable employees. The Company follows holistic performance review mechanism to ensure that the increase is commensurate with the performance of employee and company.
6. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19, and comparison with the increase in the managerial remuneration for the same financial year.

Remuneration paid to employees excluding managerial personnel for the FY 2018-19	Remuneration paid to employees excluding managerial personnel for the FY 2019-20	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2018-19	Remuneration paid to managerial personnel for the FY 2019-20	(%) change in remuneration paid to managerial personnel
818036	1001325	-22.41%	2745559	2509033	-8.61%

There were no exceptional circumstances for increase in Managerial Remuneration.

6. Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Mumbai, 28th August, 2020

**Paresh Kariya
Chairman & Director**

Annexure IV
Extract of Annual Return
Form No. MGT -9

[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	L51900MH1987PLC042092
ii)	Registration Date	05/01/1987
iii)	Name of the Company	Polytex India Ltd
iv)	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
v)	Address of the Registered office and contact details	401, 4th Floor, Nisarg Apartment, Besant Road, Vile Parle - West, Mumbai - 400 056 Tel: +91 22 67147800 Fax : +91 22 67804776
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083, Tel:+91 022 - 49186000 Fax: +91 022 - 49186060

II. Principal Business activities of the Company

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Financing	649	100%

III. Particulars of Holding, Subsidiary and Associate Companies

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

IV. Share Holding Pattern (Equity share capital break up as percentage of Total Equity)

i. Category - wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual / HUF	9036000	0	9036000	66.93	9036000	0	9036000	66.93	0.00
b. Central Govt.	0	0	0	0.00	0	0	0	0	0.00
c. State Govt.	0	0	0	0.00	0	0	0	0	0.00
d. Bodies Corp.	460000	0	460000	3.41	460000	0	460000	3.41	0.00
e. Banks / FI	0	0	0	0.00	0	0	0	0	0.00
f) Any other	0	0	0	0.00	0	0	0	0	0.00
Sub Total (A) (1):	9496000	0	9496000	70.34	9496000	0	9496000	70.34	0.00
(2) Foreign									
a. NRI's - Individuals	0	0	0	0.00	0	0	0	0	0.00
b. Other - Individual	0	0	0	0.00	0	0	0	0	0.00
c. Bodies Corp	0	0	0	0.00	0	0	0	0	0.00
d. Banks / FI	0	0	0	0.00	0	0	0	0	0.00
e. Any Others	0	0	0	0.00	0	0	0	0	0.00
Sub - total (A) (2):	0	0	0	0.00	0	0	0	0	0.00
Total share Holding of Promoters (A) = (A)(1) + (A)(2)	9496000	0	9496000	70.34	9496000	0	9496000	70.34	0.00
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	0	0	0	0.00	0	0	0	0	0.00
b. Banks / FI	0	0	0	0.00	0	0	0	0	0.00
c. Central Govt.	0	0	0	0.00	0	0	0	0	0.00
d. State Govt. (s)	0	0	0	0.00	0	0	0	0	0.00
e. Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
f. Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
g. FIIs	0	0	0	0.00	0	0	0	0	0.00
h. Insurance Companies ⁰	0	0	0	0.00	0	0	0	0	0.00
i. Others (specify)	0	0	0	0.00	0	0	0	0	0.00
Sub Total (B)(1):	0	0	0	0.00	0	0	0	0	0.00

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	
2. Non - Institutions									
a. Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
i) Indian	589286	52400	641686	4.7532	629049	0	629049	4.6596	-0.0936
ii) Overseas	0	0	0	0	0	0	0	0	0.00
b. Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	490017	292600	782617	5.7972	493991	0	493991	3.6592	-2.1380
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	2165473	24000	2189473	16.2183	2164897	0	2164897	16.0363	-0.18520
c. Others (Specify)	390224	0	390224	29.6593	390224	0	346789	2.5688	0.4154
Sub - Total (B)(2):	3635000	369000	4004000	29.66	3635000	369000	4004000	29.66	0.00
Total Public Shareholding B = (B) (1) + (B)(2)	3635000	369000	4004000	29.66	3635000	369000	4004000	29.66	0.00
c. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group									
Public	0	0	0	0.00	0	0	0	0	0.00
Grand Total (A+B+c)	13131000	369000	13500000	100.00	131310000	369000	13500000	100.00	0.00

ii Shareholding of Promoters

Sr. No.	Shareholders ' Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	No. of shares	% of total shares of the company	No. of shares	
1	Anugrah Stock & Broking Pvt. Ltd.	4,60,000	3.41	0.00	4,60,000	3.41	0.00	0.00
2	Arvind Mulji Kariya	23,87,500	17.69	0.00	23,87,500	17.69	0.00	0.00
3	Jegna Arvind Kariya	22,00,500	16.30	0.00	22,00,500	16.30	0.00	0.00
4	Paresh Mulji Kariya	20,97,500	15.54	0.00	20,97,500	15.54	0.00	0.00
5	Sadhana Paresh Kariya	23,50,500	17.41	0.00	23,50,500	17.41	0.00	0.00
	Total	94,96,000	70.34	0.00	94,96,000	70.34	0.00	0.00

iii) Change in promoters' Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Anugrah Stock & Broking Pvt. Ltd.				
	At the beginning of the year	4,60,000	3.41	4,60,000	3.41
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	4,60,000	3.41	4,60,000	3.41
2	Arvind Mulji Kariya				
	At the beginning of the year	23,87,500	17.69	23,87,500	17.69
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	23,87,500	17.69	23,87,500	17.69
3	Jegna Arvind Kariya				
	At the beginning of the year	22,00,500	16.30	22,005,00	16.30
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	22,00,500	16.30	22,005,00	16.30
4	Paresh Mulji Kariya				
	At the beginning of the year	20,97,500	15.54	20,97,500	15.54
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	20,97,500	15.54	20,97,500	15.54
5	Sadhana Paresh Kariya				
	At the beginning of the year	23,50,500	17.41	23,50,500	17.41
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	23,50,500	17.41	23,50,500	17.41

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end 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	No. of shares	% of total shares of the company
1	Vadilal Kunverji Gada	376800	2.7911	376800	2.7911	376800	2.7911
2	Amita Vadilal Gada	300000	2.2222	300000	2.2222	300000	2.2222
3	Bhupesh Harishchandra Rathod	216507	1.6038	216507	1.6038	216507	1.6038
4	Mayuri Vadilal Gada	200000	1.4815	200000	1.4815	200000	1.4815
5	R R Global Enterprises Private Limited	196499	1.4555	196499	1.4555	196499	1.4555
6	Manishkumar Sumatilal Mehta (Huf)	195272	1.4465	195272	1.4465	195272	1.4465
7	IFCI Financial Services Limited	155654	1.1530	130272	1.1530	130272	1.1530
8	Samir Rupshi Shah	150000	1.1111	150000	1.1111	150000	1.1111
9	Basireddy Bhaskar Reddy	133254	0.9871	132636	0.9825	132636	0.9825
10	Kiran Madhusudan Sheth	122069	0.9042	122069	0.9042	122069	0.9042

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Form each of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Paresh Mulji Kariya				
	At the beginning of the year	20,97,500	15.537	20,97,500	15.537
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	20,97,500	15.537	20,97,500	15.537
2	Arvind Mulji Kariya				
	At the beginning of the year	23,87,500	17.6852	23,87,500	17.6852
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	23,87,500	17.6852	23,87,500	17.6852
3	Priti Rameshbhai Sagar				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	Nil	Nil	Nil	Nil
4	Nitin Khimji Kariya				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	Nil	Nil	Nil	Nil
5	Sachchidanand Rajaram Adam				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reason for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No Change	No Change	-	-
	At the end of the year	Nil	Nil	Nil	Nil

V) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	----	----	----	----
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due	----	----	----	----
Total (i+ii+iii)	----	----	----	----
Change in Indebtedness during the financial year				
i) Addition	----	----	----	----
ii) Reduction	----	----	----	----
Net Change	----	----	----	----
Indebtedness at the end of the financial year				
i) Principal Amount	----	----	----	----
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due	----	----	----	----
Total (i+ii+iii)	----	----	----	----

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Paresh Mulji Kariya (WTD)	Mr. Arvind Mulji Kariya (WTD & Chief Financial Officer)	
1	Gross salary	24,00,000	0	24,00,000
	(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, specify.	----	----	----
5	Others, please specify	---	---	---
	Total (A)	24,00,000	0	24,00,000
	Ceiling as per the Act	24,00,000	0	24,00,000

B. Remuneration to other directors:

The Board of Directors at its meeting had given consent to waive off the sitting fees to Directors of the Company.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	CEO	CS. Avinash Pratap	CFO**	Total
1	Gross salary	—	109,033	—	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 196	—	—	—	—
	(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, specify.	---	---	---	—
5	Others, please specify	---	---	---	—
	Total	—	109,033	—	—

* Only for part of the year

** The remuneration of CFO is the same as that of the whole time director, Mr. Arvind Kariya, since he is the CFO for the purpose of Companies Act, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS**1. Industry Overview:**

The business of the Company is that of a Non-Banking Finance Company. Non Banking Financial Companies (NBFCs) have become an integral part India's financial system. In recent times, NBFC's have emerged as lenders to both companies and individuals. When it comes to lending, NBFCs are generally regarded to be complementary to banks and are often able to offer better services and products to their customers. NBFCs play a crucial role in broadening access to financial services, enhancing competition and diversification of the financial sector. Banks and NBFCs compete for similar kinds of business. In spite of strong competition faced by the NBFCs, the inner strength of NBFCs viz. local knowledge, credit appraisal skill, well trained collection machinery, close monitoring of borrowers and personalized attention to each client, are catering to the needs of small and medium enterprises.

2. Outlook on Opportunities, Threats, Risks & Concerns:

With the long term India growth story intact, we continue to remain enthused about the growth prospects of financial services sector in India. However given the inherent linkage of most of our business with the economy and capital markets, our financial performance is subject to fluctuations depending on the pace of economic growth and activity in the capital market.

The last financial year has been year of new initiatives for company. The new financial year will see a lot of our initiatives taking shape and being deployed.

Opportunities:

- Induction of widely experienced and specialized personnel on the Board.
- Good combination of technical as well as advisory personnel in the management.

Threats:

- The largely unorganized structure of the market can affect the systematic functioning of the Company
- Likely opening up of the economy, which can be a double-edged sword.

Risk and Concerns:

The Company is exposed to specific risks that are particular to its businesses and the environment within which it operates, including capital market volatility, economic cycle and credit risk. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management policies.

3. Internal Control System and Adequacy:

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The control systems set on place are checked and further supplemented by MIS which provided for planned expenditure and information on disposal and acquisition of assets. Your company has an adequate system of internal control, designed to provide reasonable assurance that assets are safeguarded; transactions are executed in accordance with management's authorisation and properly recorded. Accounting records are adequate for preparation of financial statements and other financial information. Besides, the management has put in place system for review and monitoring of non-performing assets, if any of the company for effecting recoveries.

4. Financial:

The financial performance of the Company has been satisfactory in the year under review. The Financial performances of the Company are given as under:-

Performance	Year ended 31st March, 2020	Year ended 31st March, 2019
Profit/ (Loss) before Depreciation, Interest and Taxation	678,668	13,15,821
Depreciation	NIL	NIL
Interest	NIL	NIL
Profit/(Loss) before Tax	6,78,668	13,15,821
Provision for Tax (including prior period adjustments)	(112,974)	(340,846)
Profit after Tax	565,694	974,975
Proposed Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Dividend Tax	Nil	Nil
Transfer to General Reserve	Nil	Nil
Balance b/f from last year	478,102	974,975
Balance c/f to Balance Sheet	174,25,220	167,61,288

5. Human Resources:

Your company always regards human resources as its most valuable asset and continuously evolves policies and process to attract and retain its substantial pool of managerial resources through friendly work environment that encourages initiatives by individuals and recognizes their performance. The company has a competency based performance and potential appraisal systems for identifying and developing managerial talents and is reviewed on an ongoing basis. Emphasis is laid on providing adequate training to its employees, to meet the attitudinal and cultural values of the organization ethos to achieve customer satisfaction.

6. Disclaimer:

Certain Statements in the management Discussion and Analysis describing the company's views about the industry, expectations, objectives, etc may be understood within the meaning of applicable laws and regulations. Factors like changes in Government regulations, tax laws and other factors are such as industrial relations and economic developments etc. may further influence the company's operations or performance.

REPORT ON CORPORATE GOVERNANCE

The detailed report for the financial year ended March 31, 2020 on the compliance with the Corporate Governance requirements as specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), as set out below:

Company's Philosophy on Code of Governance:

Your Company is committed to bring about good corporate governance practices. It strongly believes in attaining transparency, accountability and equity, in all its operations, and in its interactions with stakeholders including shareholders, customers, employees, the government and the lenders.

The Company believes that the essence of Good Governance lies in promoting and maintaining integrity, transparency and accountability across the organization.

1. Board of Directors**(a) Composition of the Board**

The Board of Directors is headed by an Executive Chairman, Mr. Paresh Mulji Kariya who is a promoter of the Company. The Board is comprised of committed and eminent persons with considerable professional experience in varied fields and comprises a majority of Non-Executive Directors. The composition of the Board of Directors is in conformity with Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(b) Board Meetings and AGM/EGM

Eight Board Meetings were held during the year under review. The dates on which the meetings were held are 04.04.2019, 17.05.2019, 13.08.2019, 31.10.2019, 14.11.2019, 25.11.2019, 02.01.2020 and 04.02.2020. The Annual General Meeting was held on 30.09.2019.

(c) Directors' Attendance Record and Directorships held

Director	Whether Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee	Number of Board Meetings attended	Whether attended last AGM	No. of Directorships held #	No. of Board Committees of other Companies in which a Member or a Chairman @
Mr. Paresh Mulji Kariya	Chairman -Promoter -Executive	8	Yes	2	0
Mr. Arvind Mulji Kariya	Promoter -Executive	8	Yes	1	0
Mr. Nitin Khimji Kariya	Independent - Non-Executive	8	Yes	1	0
Ms. Priti Rameshbhai Sagar**	Independent - Non-Executive	8	No	1	0
Mr. Sachchidanand Rajaram Adam*	Independent - Non-Executive	8	Yes	2	1

above mentioned directorship(s) includes directorships in Polytex India Limited and Excludes alternate directorship and directorship in foreign companies and private companies which are neither a subsidiary nor a holding company of a public company.

*The Member of the Committee, Mr. Sachindanand Rajaram Adam, is a Non-Executive Independent Director term is getting expiry on 30.09.2020, will be re appointed for next term in ensuing Annual General Meeting

**The Member of the Committee, Ms. Priti Rameshbhai Sagar, was appointed additional director as on 08.02.2019, was regularized in Annual General Meeting which was held on 30.09.2019.

@Excludes committees other than Audit Committee & Shareholders' / Investors' Grievance Committee and Companies other than public limited companies.

(d) Details of Directors Seeking Re -Election

Pursuant to Section 152 of the Companies Act, 2013, Mr. Paresh Mulji Kariya, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

3. Board Committees:

(a) Audit Committee:

As on 31st March, 2020, the Audit Committee comprises of the following three Non-Executive Independent Directors:

Mr. Nitin Khimji Kariya	-	Chairman
Ms. Priti Rameshbhai Sagar**	-	Member
Mr. Sachchidanand Rajaram Adam*	-	Member

The Audit Committee met five times i.e. on 17.05.2019, 13.08.2019, 31.10.2019, 14.11.2019 and 04.02.2020 during the year under review. Details of attendance of each member are as follows:

Name	Number of Audit Committee Meetings attended
Mr. Nitin KhimjiKariya	5
Ms. Priti Rameshbhai Sagar**	5
Mr. Sachchidanand Rajaram Adam*	5

*The Member of the Committee, Mr. Sachindanand Rajaram Adam, is a Non-Executive Independent Director term is getting expiry on 30.09.2020, will be re-appointed for next term at ensuing Annual General Meeting.

**The Member of the Committee, Ms. Priti Rameshbhai Sagar, was appointed additional director as on 08.02.2019, was regularized in Annual General Meeting which was held on 30.09.2019.

Terms of Reference:

The terms of reference, role and scope of the Audit Committee covers the matters specified under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177(4) of the Companies Act, 2013 such as overseeing of the Company's financial reporting process, recommending the appointment/re-appointment of Statutory Auditors and fixation of their fees, reviewing quarterly, half yearly and annual financial statements, changes in accounting policies & practices, compliances with the accounting standards, major accounting entries involving estimates based on the exercise of judgment by management, compliance with listing and other legal requirements relating to financial statements, scrutiny of inter-corporate loans and investments, disclosures of related party transactions, if any, scrutiny of inter-corporate loans and investments, evaluation of internal financial controls, review of uses/application of funds raised through an issue i.e. public issue, rights issue, preferential issue, etc., before they are submitted to the Board of Directors. The Committee

also reviews Management Discussion and Analysis of financial condition and results of operations and statement of significant related party transactions submitted by Management.

The Audit Committee's functions include reviewing the internal audit reports, adequacy of the internal audit functions, its structure, reporting process, audit coverage and frequency of internal audits. The responsibility of the Committee is to also review the findings of any internal investigation by the internal auditors in matters relating to suspected fraud or irregularity or failure of internal control systems of material nature, if any and report the same to the Board.

(b) Nomination and Remuneration Committee:**Composition:**

As on 31st March, 2020, the Nomination and Remuneration Committee comprises of the following three Non-Executive and Independent Directors:

Mr. Nitin Khimji Kariya	- Chairman
Ms. Priti Rameshbhai Sagar**	- Member
Mr. Sachchidanand Rajaram Adam*	- Member

Nomination and Remuneration Committee met for 4 times in the year on 31.10.2019, 25.11.2019, 02.01.2020 and 04.02.2020 during the financial year 2019-20. Details of attendance of each member are as follows:

Name	Number of Nomination and Remuneration Committee Meetings attended
Mr. Nitin Khimji Kariya	4
Ms. Priti Rameshbhai Sagar**	4
Mr. Sachchidanand Rajaram Adam*	4

*The Member of the Committee, Mr. Sachchidanand Rajaram Adam, is a Non-Executive Independent Director term is getting expiry on 30.09.2020, will be re-appointed for next term at ensuing Annual General Meeting.

**The Member of the Committee, Ms. Priti Rameshbhai Sagar, was appointed additional director as on 08.02.2019, was regularized in Annual General Meeting which was held on 30.09.2019.

Terms of Reference:

The terms of reference of the Committee inter alia, include the following:

- To review, assess and recommend appointment and remuneration of executive directors.
- To review the remuneration packages payable to executive directors periodically and recommend suitable revision/ increments, whenever required to the Board of Directors of the Company.
- To recommend the commission payable to non-executive directors in accordance with and upto the limits laid down under the Companies Act, 2013.
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down.
- To recommend to the Board the appointment and removal of the director and shall carry out evaluation of every director performance.
- To formulate criteria for determining qualifications, positive attributes and independence of the director.
- To recommend to the Board of a 'policy' relating to the remuneration of Directors, Key Managerial Personnel and other employees.
- To devise a policy on Board Diversity
- To carry out such other functions as delegated by the Board from time to time.

Remuneration Policy:

The Board of Directors of the Company have approved Nomination & Remuneration Policy of the Company, which sets out the guiding principles for appointment & remuneration of Directors, Key

Managerial Personnel and Senior Management of the Company.

I. Appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management:

1. Appointment Criteria and Qualifications:

a) A person being appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he / she is considered for appointment.

b) Independent Director:

i) Qualifications of Independent Director:

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

ii) Positive attributes of Independent Directors:

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

2. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3. Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

II. Remuneration:**A. Directors:**

a) Executive Directors (Managing Director, Manager or Whole Time Director):

i) At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration (N&R) Committee and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.

ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.

iii) The remuneration of the Manager/ CEO/ Managing Director/ Whole Time Director is broadly divided into fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:

- the relationship of remuneration and performance benchmark;
- balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the

working of the Company and its goals;

- responsibility required to be shouldered, the industry benchmarks and the current trends;
- The Company's performance vis-a-vis the annual budget achievement and individual performance.

b) Non-Executive Director:

- The Non-Executive Independent Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.

- The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.

- In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

- The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.

- The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

B. KMP & Senior Managerial Personnel:

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

- maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;

- compensation should be reasonable and sufficient to attract retain and motivate KMP and senior management;
- Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance versus overall performance of the Company;
- Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

III. Evaluation:

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The Committee shall also formulate and provide criteria for evaluation of Independent Directors and the Board as a whole, if applicable.

Remuneration to Directors:

Details of remuneration paid to the Executive Directors during the year ended 31.03.2020 are as follows:

Name	Relation with Polytex	Inter-se Relation	Salary	Stock Option	Commission	Contribution to Provident Fund and other funds	Perquisites	Total
Mr. Paresh Mulji Kariya	Chairman & Whole Time Director	Brothers	24,00,000	-	-	-	-	24,00,000
Mr. Arvind Mulji Kariya	Whole Time Director & CFO	Brothers		-	-	-	-	-

Details of Remuneration / Compensation Paid to the Non- Executive / Independent Director During the Year Ended 31.03.2020:

The Non Executive Directors do not draw any remuneration from the Company. The Board of Directors of the Company has resolved to waive the Sitting Fees for attending all the meetings of the Board as well as committees and hence the Non Executive Directors have not drawn any sitting fees for attending the Board Meetings and Meeting of any Committees.

The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors during 2019-2020.

Disclosure of Shareholding by Non - Executive Directors

Sr. No	Name of Director	No. of Shares Held
1	Mr. Nitin Khimji Kariya	NIL
2	Ms. Priti Rameshbhai Sagar**	NIL
3	Mr. Sachchidanand Rajaram Adam*	NIL

*The Member of the Committee, Mr. Sachindanand Rajaram Adam, is a Non-Executive Independent Director term is getting expiry on 30.09.2020, will be re-appointed for next term at ensuing Annual General Meeting.

**The Member of the Committee, Ms. Priti Rameshbhai Sagar, was appointed additional director as on 08.02.2019, was regularized in Annual General Meeting which was held on 30.09.2019.

(c) Stakeholders Relationship Committee:

The constitution and the term of reference of the Stakeholders Relationship Committee are in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Regulations. As on 31st March, 2020, the Stakeholders Relationship Committee comprises of the following 3 Non-Executive - Independent Directors:

Mr. Nitin Khimji Kariya	- Chairman
Ms. Priti Rameshbhai Sagar**	- Member
Mr. Sachchidanand Rajaram Adam*	- Member

*The Member of the Committee, Mr. Sachindanand Rajaram Adam, is a Non-Executive Independent Director term is getting expiry on 30.09.2020, will be re-appointed for next term at ensuing Annual General Meeting.

**The Member of the Committee, Ms. Priti Rameshbhai Sagar, was appointed additional director as on 08.02.2019, was regularized in Annual General Meeting which was held on 30.09.2019.

During the year, the Committee met for 4 times in the year on 31.10.2019, 25.11.2019, 02.01.2020 and 04.02.2020.

Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee are as follows:

Consider and resolve the grievance of security holders of the Company including redressal of investors complaints such as transfer or credit of securities, non-receipt of dividend/notice/annual reports, etc. and all other securities - holders related matters.

Name and designation of Compliance Officer:

Mr. Avinash Pratap, Company Secretary of the Company is performing the duties of Compliance Officer

Detail of shareholders' Complaints received and disposed of during the year under review are as under:

Pending at the beginning of the financial year	Nil
Received during the financial year	Nil
Disposed off during the financial year	Nil
Pending at the end of the financial year	Nil

4. Familiarization Programme for Independent Directors:

The Independent Directors are familiarized, inter alia, with the Company, their duties, roles and responsibilities, the nature of the industry, the business model of the Company. The details of the same can be viewed at <http://www.polytexindia.com/corporategovernance>.

General Body Meetings:

(a) Location and time, where last 3 years' Annual General Meetings were held:

Date & Time	Location	Special Resolution Passed
30th September, 2019 10.30 am	1st Floor, Nisarg Apartment, Besant Road, Vile Parle - West Mumbai - 400056	Nil
28th September, 2018 10.30 a.m.	1st Floor, Nisarg Apartment, Besant Road, Vile Parle (West), Mumbai - 400056	Nil
28th September, 2017 10.30 a.m.	1st Floor, Nisarg Apartment, Besant Road, Vile Parle (West), Mumbai - 400056	Nil

(b) **Postal Ballot:**

During the year ended March 31, 2020, no resolutions were passed through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution thorough Postal Ballot. No Special Resolution is proposed to be conducted through Postal Ballot at the ensuing AGM.

5. Other Disclosures:**(a) Related Party Transactions**

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large:

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

The Related Party Transaction policy is posted on the Company's Website www.polytexindia.com

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

(b) Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct.

- (c) The Company has generally complied with all the requirements of Listing Regulation, 2015 entered into with the Stock Exchange(s) or Securities and Exchange Board of India or any Statutory Authority on matters related to capital markets, as applicable from time to time.
- (d) No penalty was imposed or strictures passed against the Company by the Stock Exchanges or SEBI or any statutory authorities on any matter related to capital markets during last three years.

6. CEO/CFO Certification

Mr. Arvind Mulji Kariya – Chief Financial Officer of the Company have certified to the Board with regards to the compliance in terms of regulation 17(8) of Listing Regulations.

7. Means of Communication

- (a) Quarterly Results are published in Active Times, English daily newspaper circulating in substantially the whole of India and in Mumbai Lakshadeep Marathi daily newspaper.
- (b) Website: The financial results are also posted on the Company's website www.polytexindia.com.

- (c) Whether Website also displays official news releases: No
- (d) Whether presentations made to institutional investors or to the analysts: No
- (e) Annual Report: Annual Report is circulated to all the members within the required time frame, physically through post and via E-mail, wherever the E-mail ID is available in accordance with the "Green Initiative Circular" issued by MCA. The shareholders have been provided remote e-voting option for the resolutions passed at the general meeting to vote as per their convenience.
- (f) Investor E-mail ID of the Registrar & Share Transfer Agents: All the share related requests / queries / correspondence, if any, are to be forwarded by the investors to the Registrar and Transfer Agents of the Company, Link Intime India Pvt Ltd and/or e-mail them to rnt.helpdesk@linkintime.co.in.
- (g) BSE Corporate Compliance & Listing Centre: The Listing Centre is a web based application designed by BSE for Corporates. The Shareholding Pattern, Corporate Governance Report, Financial Results, Analyst Presentations, Press Release and other intimations are filed electronically on BSE's Listing Centre.
- (h) SEBI Complaints Redress System (SCORES): the investor Complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- (I) The Management Discussion & Analysis Report forms part of the Annual Report.
- (j) As required in terms of Regulation 46 of the Listing Regulations, the Company has designated an e-mail ID exclusively for the purpose of registering complaints by investors. The e-mail ID is polytexindia@gmail.com

8. General Shareholder Information

AGM: Date, Time and Venue Besant Road, Vile Parle-West, Mumbai-400056	30th September, 2020 at 10.00 a.m. at 1st Floor, Nisarg Apartment,
Financial Year	The financial year under review covers the period 1st April, 2019 to 31st March, 2020.
Date of Book Closure	22nd September, 2020 to 30th September, 2020 (both days inclusive)
Listing on Stock Exchanges	1. BSE Limited, Mumbai The Company has paid the listing fees for the period 1st April 2019 to 31st March 2020.
Stock Code	1. 512481 on BSE Ltd. 2. ISIN Number for NSDL & CDSL - INE012F01016
Market Price Data: High, Low during each month in last financial year	The details are available as per Annexure "A"
Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.	Please see Annexure "C"
Registrar and Transfer Agents	Link Intime India Pvt. Ltd Registrars: C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083
Share Transfer System	The Company's shares are traded in the Stock Exchange compulsorily in demat mode. Shares sent for physical transfer or dematerialization requests are registered promptly within stipulated time from the date of receipt of completed and validly executed documents.
Dematerialisation of shares and liquidity	100% of the Paid-up Capital have been dematerialized as on 31.03.2020. The trading /liquidity details are given at Annexure 'A' below.
Distribution of Shareholding and share holding pattern as on 31.03.2019	Please see Annexure ' B'
Outstanding GDRs/ADRs/ Warrants or any Convertible instruments conversion date and likely impact on equity	N.A
Plant Locations	N.A
Address for correspondence	Shareholders should address correspondence to: Link Intime India Pvt. Ltd Registrars C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083 E mail :rnt.helpdesk@linkintime.co.in.

Annexure 'A'

Stock Market Data (for face value of Rs. 10/- per share):

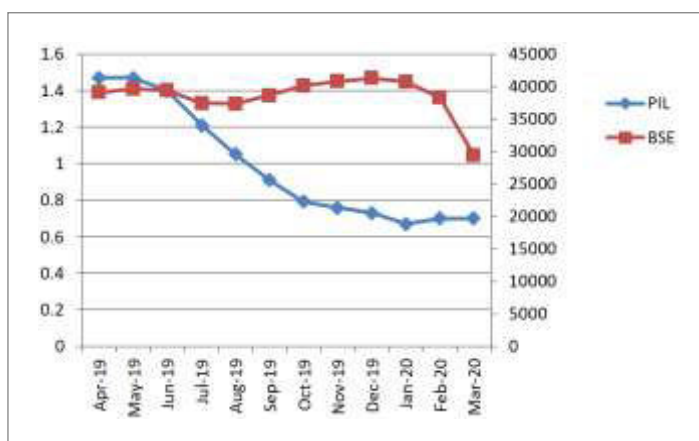
Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
Apr-19	1.47	1.37	13314
May-19	1.47	1.37	13314
Jun-19	1.4	1.27	793
Jul-19	1.21	1.1	923
Aug-19	1.05	0.95	645
Sep-19	0.91	0.76	1419
Oct-19	0.79	0.76	53
Nov-19	0.76	0.73	565
Dec-19	0.73	0.67	55
Jan-20	0.67	0.64	99
Feb-20	0.7	0.7	650
Mar-20	0.7	0.7	100

Data based on BSE website:

(<https://www.bseindia.com/markets/equity/EQReports/StockPrcHistori.aspx?expandable=7&scripcode=512481&flag=sp&Submit=G>)

Annexure 'B'

Performance in comparison to broad-based indices such as BSE Sensex



Data based on BSE Website: (URL

<http://www.bseindia.com/indices/IndexArchiveData.aspx?expandable=1><http://www.bseindia.com/markets/equity/EQReports/StockPrcHistori.aspx?flag=0&expandable=7>)

9. Category of Shareholders as on 31st March, 2020:

Category	No. of Shares	Held%age of total shares
Indian Promoters	94,96,000	72.32
Foreign Promoters	0	0
Banks	0	0
Mutual Funds	0	0
Private Corporate Bodies	629049	4.66
Indian Public	3355546	22.87
NRI/OCB	2160	0.02
Clearing Members	17245	0.13
Total	1,35,00,000	100.00

Non Mandatory Requirements:**(a) Office of the Chairman of the Board:**

The Company does not defray any secretarial expenses of the Chairman's Office.

(b) Shareholder Rights:

The Company's half-yearly results are furnished to the Stock Exchange and also published in the newspapers and therefore not sent to the shareholders.

(c) Audit Qualification:

The Auditor's Report to the Members on the Accounts of the Company for the financial year ended 31st March, 2020 does not contain any qualifications, reservations or adverse remarks.

Adoption of other non-mandatory requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time.

Further, the Company has complied with corporate governance requirements as specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 to the extent applicable.

Declaration relating to Code of Conduct

All the Board Members and Senior Management Personnel have, for the year ended 31st March 2020, affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors

Paresh Mulji Kariya
Chairman & Director

Mumbai, 28th August, 2020

CERTIFICATE OF COMPLIANCE**Pursuant to Regulation 17(8) of SEBI(Listing Obligation and Disclosure Requirement) Regulation, 2015**

We, Paresh Mulji Kariya , Chairman - Whole Time Director of Polytex India Ltd and Mr. Arvind MuljiKariya – Chief Financial Officer of the Company , hereby certify on behalf of the Board of Directors that:

- 1) The Board have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2020 and that to the best of their knowledge and belief
 - a) these statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements presents true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) To the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company’s code of conduct.
- 3) The Board accepts responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the Company and they have disclosed to the auditors and the Audit Committee, Deficiencies in the design or operation of internal controls, if any, of which they have taken or propose to take to rectify these deficiencies.
- 4) The Board have indicated to the auditors and the Audit Committee:
 - a) There are no significant changes in internal control during the year;
 - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to Financial Statements; and
 - c) There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control systems.

Paresh Mulji Kariya
Chairman & Director

Arvind Mulji Kariya
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Polytex India Ltd

We have examined the compliance of conditions of Corporate Governance by Polytex India Ltd. for the year ended on 31st March, 2020, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the 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 and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable.

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 Agrawal Jain and Gupta
Chartered Accountants
Firm Registration No.: 013538C
Partner

Place : Mumbai

Dated : August 28, 2020

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF
POLYTEX INDIA LIMITED****REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS****OPINION**

We have audited the accompanying standalone financial statements of **POLYTEX INDIA LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), Cash Flows statement and statement of changes in the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Standard prescribed under section 133 of the act read with Companies (Indian Accounting Standards) Rules, 2015 as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the company as at 31 March, 2020 and its profits, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the Standard on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the auditor’s Responsibility for the audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS 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 the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in auditor’s responsibilities for the audit of Ind AS section of our report, including relation to these matters.

Key Audit Matters	How our audit addressed the key audit matters
<p>1. Impairments of financial assets as at Balance Sheet Date (Expected Credit Losses):</p> <p>Ind AS 109 requires the company to provide for impairment of its loan receivable using the expected credit loss approach. ECL involves an estimation of probability of weighted loss on the financial instruments over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the company's loans and advances.</p> <p>In the process, a significant degree of judgment has been applied by the Management for:</p> <ul style="list-style-type: none"> • Staging of loans [i.e. classification in 'significant increase in credit risk' ('SICR') and 'default' categories]; • Estimation of behavioral life; • Determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products with no/minimal historical defaults. <p>Additional considerations on account of COVID-19</p> <p>Pursuant to the Reserve Bank of India circular dated 27 March 2020 ('RBI circular') allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between 1 March 2020 and 31 May 2020, the Company has not facilitate moratorium benefits to its borrowers because the company has limited number of borrowers and he/she Repaid his/her dues within the due date.</p> <ul style="list-style-type: none"> • Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on 13 March 2020. • Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. 	<ul style="list-style-type: none"> • Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3. • Assessed the additional considerations applied by the Management for staging of loans as SICR or default categories in view of Company's policy on moratorium. • Tested the ECL model, including assumptions and underlying computation. Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults. • Tested assumptions used by the Management in determining the overlay for macro-economic factors (including COVID-19 pandemic). • Assessed disclosures included in the standalone Ind AS financial statements in respect of expected credit losses including the specific disclosures made with regards to the impact of COVID-19 on ECL estimation.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report, Business Responsibility Report and Corporate Governance Report, but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY

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

- Identify and assess the risks of material misstatement of the standalone 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 control 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 state 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 standalone 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

- (i) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.
- (ii) As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
- d) Except for the matter prescribed in para 4 above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; 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 does not have any pending litigations which would impact its financial position as of March 31, 2020
 - ii) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Agrawal Jain and Gupta
Chartered Accountants
Firm Registration No.: 013538C

(Narayan Swami)
Partner
M.NO: 409759

Place: Mumbai

Date: 27th June 2020

Annexure A to the Independent Auditors' Report
[Referred to in paragraph 6 (i) of our report of even date]

- i. (a) The Company is maintaining proper record showing full particulars, including quantitative details situation of fixed assets.
- (b) Physical verification of fixed assets is carried out by the management with a planned programme of verification, which in our opinion, provides for physical verification of all fixed assets at reasonable intervals. The physically verified assets have been compared with the book records and discrepancies noticed on such verification were not material and have been properly dealt with in books of accounts.
- (c) The company does not disposed-off substantial part of fixed assets during the year.
- ii. According to the information & explanation given to us, the Company does not have any inventory and hence paragraph 3(ii) of the order is not applicable.
- iii. In our opinion and according to information and explanation given to us, the The Company has not granted any loans, secured or unsecured to Companies, firms, limited liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the Provisions of clause 3 (iii) (a) to (c) of the order are not applicable to the company and not commented upon.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees given has been complied with by the Company. The provisions of section 185 in respect of loans to directors including entities in which they are interested and provisions of section 186 with respect to securities given are not applicable to the Company and hence not commented upon.
- v. According to Information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. The company does not qualify the prescribed criteria as specified in Companies (Cost Records and Audit) Rules, 2014, and therefore is not required to maintain the cost records as prescribed under Section 148 (1) of the Act. Hence paragraph 3 (vi) of the order is not applicable.
- vii. In respect of statutory dues:
 - (a) According to the information and explanation given to us and records examined by us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us, there were no undisputed amounts payable in respect of Income Tax, and any other statutory dues outstanding as on 31st March, 2020 for a period more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, the company doesn't have any disputed dues as on 31-03-2020 and hence paragraph 3 (vii) (b) of the Order is not applicable.
- viii. According to records of the company examined by us and the information and explanations given to us, there are no loans or borrowings from any financial institution, banks, government or debenture holders and therefore paragraph 3(viii) of the Order is not applicable.
- ix. According to records of the company examined by us and the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or by way term loan and hence paragraph 3(ix) of the order is not applicable.

- x. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us we neither come across any instances of material fraud by the company or on the company by its officers or employees noticed or reported during the year, nor have been informed of any of such case by the management.
- xi. According to the information and explanation given to us and based on our examination of the records of the company, the company has paid for managerial remuneration in accordance with the requisite approvals as mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 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 give to us and based on our examination of the records, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3 (xiv) of the order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records, during the year 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.
- xvi. To the best of our knowledge and according to the information and explanations given to us, the company has registered under section 45-IA of the Reserve Bank of India Act, 1934

For Agrawal Jain and Gupta
Chartered Accountants
Firm Registration No.: 013538C

(Narayan Swami)
Partner
M.NO: 409759

Place: Mumbai

Date: 27th June 2020

Annexure - B to the Independent Auditors' Report
[Referred to in paragraph 6 (ii) (f) of our report of even date]

Report on the Internal Financial Controls Over Financials Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Polytex India Limited

We have audited the internal financial controls over financial reporting of **POLYTEX INDIA LIMITED** ("the Company") as of March 31, 2020 in conjunction it's our audit of the financial statements of the Company for the year ended and as at 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 ('the Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. The Guidance Note and those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of 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 March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Agrawal Jain and Gupta
Chartered Accountants
Firm Registration No.: 013538C

(Narayan Swami)
Partner
M.NO: 409759

Place: Mumbai

Date: 27th June 2020

BALANCE SHEET AS AT 31st MARCH, 2020

(Amount in ₹)

PARTICULARS	NOTE NO.	AS AT 31-Mar-20	AS AT 31-Mar-19	AS AT 01-Apr-18
I ASSETS				
1 FINANCIAL ASSETS				
Cash and cash equivalents	3	35,48,045	2,78,444	3,94,676
Investments	4	2,85,12,000	2,83,50,000	2,83,50,000
Loans and advances	5	15,06,83,987	12,38,45,004	12,39,75,201
Total		18,27,44,032	15,24,73,448	15,27,19,878
2 NON-FINANCIAL ASSETS				
Current assets	6	14,29,261	15,64,879	17,21,083
Property, plant and equipment	7	41,183	41,183	41,183
Intangible Assets	8	15,730	15,730	15,730
Total		14,86,174	16,21,792	17,77,996
Total Assets		18,42,30,205	15,40,95,240	15,44,97,873
II LIABILITIES AND EQUITY				
LIABILITIES				
1 FINANCIAL LIABILITIES				
Trade payables	9	8,92,361	8,46,150	11,87,108
Other financial liabilities	10	2,90,703	1,93,110	10,12,335
2 NON-FINANCIAL LIABILITIES				
Provisions	11	4,95,890	10,73,000	12,95,000
Deferred Tax Liabilities-Net	12	1,26,032	1,23,454	1,19,157
Other Non-Financial Liabilities	13	3,00,00,000	-	-
Total		3,18,04,985	22,35,714	36,13,600
3 EQUITY				
Equity share capital	14	13,50,00,000	13,50,00,000	13,50,00,000
Other equity	15	1,74,25,220	1,68,59,526	1,58,84,274
Equity Attributable to Owner of Company		15,24,25,220	15,18,59,526	15,08,84,274
Total Liabilities and Equity		18,42,30,206	15,40,95,240	15,44,97,874

Significant Accounting Policies and Notes on Financial Statements 1 to 30

As per our attached report of even date

For Agrawal Jain & Gupta
Chartered Accountants
Firm Registration No. 013538C

For and on Behalf of the Board
Polytex India Limited

CA. NARAYAN SWAMI
Partner
Membership No. : 409759
UDIN: 20409759AAAAAX1970

PARESH MULJI KARIYA
(Director & Chairman)
DIN:00215937

ARVIND MULJI KARIYA
(Director & CFO)
DIN:00216112

Place : Mumbai
Date : 27th June, 2020

Avinash Pratap
(Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020

(Amount in ₹)

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31-Mar-20	FOR THE YEAR ENDED 31-Mar-19
I Income			
Income From Operation	16	71,78,007	73,43,918
Other Income	17	3,72,672	32,371
Total Income		75,50,679	73,76,289
II Expenses			
Employee benefit expenses	18	35,86,218	36,63,345
Finance Cost	19	931	8,974
Deprn and amortisation expenses		-	-
Other expenses	20	32,84,862	23,88,149
Total Expenses		68,72,011	60,60,468
III Profit before tax (I-II)		6,78,668	13,15,821
IV Tax Expense:			
Current tax		1,57,890	3,38,000
Deferred tax		2,578	4,297
Prior-period tax expenses		(47,494)	(1,451)
V Profit for the year (III-IV)		5,65,694	9,74,975
VI Other Comprehensive Income			
VII Total Comprehensive Income for the year		5,65,694	9,74,975
Earnings per equity share			
Basic		0.04	0.07
Diluted		0.04	0.07

Significant Accounting Policies and Notes on Financial Statements 1 to 30

As per our attached report of even date

For Agrawal Jain & Gupta
Chartered Accountants
Firm Registration No. 013538C

For and on Behalf of the Board
Polytex India Limited

CA. NARAYAN SWAMI
Partner
Membership No. : 409759
UDIN: 20409759AAAAAX1970

PARESH MULJI KARIYA
(Director & Chairman)
DIN:00215937

ARVIND MULJI KARIYA
(Director & CFO)
DIN:00216112

Place : Mumbai
Date : 27th June, 2020

Avinash Pratap
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020
EQUITY SHARE CAPITAL

PARTICULARS	Balance as on 1st April, 2018	Changes during the year 2018-19	Balance as at 31st March, 2019	Change during the year 2019-20	Balance as on 31st March, 2020
Equity shares of ₹10/- each	13,50,00,000	-	13,50,00,000	-	13,50,00,000
Total	13,50,00,000	-	13,50,00,000	-	13,50,00,000

OTHER EQUITY

	Statutory Reserve	General Reserve	Profit and Loss Account	Total
Balance as at March 31, 2018	-	5,64,618	1,57,86,313	1,63,50,931
Less: Provision for Standard Assets Expenses			-4,66,657	-4,66,657
Balance as at April 01, 2018		5,64,618	1,53,19,656	1,58,84,274
Profit for the year		-	9,74,975	9,74,975
Less: Provision for Standard Assets Expenses			277	277
Transfer to/from Profit and Loss Account	-	-	-	-
Balance as at April 01, 2019	-	5,64,618	1,62,94,908	1,68,59,526
Profit for the year		-	5,65,694	5,65,694
Transfer to/from Profit and Loss Account		-	-	-
Balance as at March 31, 2020	-	5,64,618	1,68,60,602	1,74,25,220

Significant Accounting Policies and Notes on Financial Statements 1 to 30

As per our attached report of even date

For Agrawal Jain & Gupta

Chartered Accountants

Firm Registration No. 013538C

For and on Behalf of the Board

Polytex India Limited

CA. NARAYAN SWAMI

Partner

Membership No. : 409759

UDIN: 20409759AAAAAX1970

PARESH MULJI KARIYA

(Director & Chairman)

DIN:00215937

ARVIND MULJI KARIYA

(Director & CFO)

DIN:00216112

Avinash Pratap
(Company Secretary)

Place : Mumbai

Date : 27th June, 2020

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

	2019-20	2018-19
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax as per Statement of Profit and Loss	6,78,668	13,15,821
Adjusted for:		
Depreciation and amortisation expenses	-	-
Interest Received During the year	(71,78,007)	(73,43,918)
Fair Valuation gain on Investments	(1,62,000)	-
Provision For Standard Assets exp		277
Extra Tax Provision Made Now Reversed	-	
Operating Profit before Working Capital Changes	(66,61,339)	(60,27,820)
Adjusted for:		
Decrease/ (increase) in Loans		-
Decrease/ (increase) in Other Financial Assets	-	-
Decrease/ (increase) in Current Assets	1,35,618	1,56,204
Increase/ (decrease) in Trade Payables	46,210	(3,40,957)
Increase/ (decrease) in Other Financial Liabilities	97,593	(7,68,629)
Increase/ (decrease) in Provisions	(5,77,110)	(2,22,000)
Cash Generated from Operations	(69,59,028)	(72,03,202)
Taxes Paid (Net)	(1,10,396)	(3,87,146)
Net Cash Flow Used in Operating Activities	(70,69,424)	(75,90,348)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Disbursement of Loan & Advances	(2,68,38,983)	1,30,197
Interest Income	71,78,007	73,43,918
Net Cash Flow Used in Investing Activities	(1,96,60,976)	74,74,115
C. CASH FLOW FROM FINANCING ACTIVITIES		
Loan raised from/ (repaid to) Third Party	3,00,00,000	
Net Cash Flow From Financing Activities	3,00,00,000	-
Net Increase in Cash and Cash Equivalents	32,69,600	(1,16,233)
Opening Balance of Cash and Cash Equivalents	2,78,444	3,94,677
Closing Balance of Cash and Cash Equivalents	35,48,045	2,78,444
Cash and Cash equivalent as per above comprises of the following	31-Mar-2020	31-Mar-2019
Cash and Cash Equivalents (Refer Note 3)	42,834	885
Earmarked balances with bank	-	-
Short term bank deposits	35,05,211	2,77,560
Balances as per statement of Cash Flows	35,48,045	2,78,444

As per our attached report of even date

For Agrawal Jain & Gupta
Chartered Accountants
Firm Registration No. 013538C

CA. NARAYAN SWAMI
Partner
Membership No. : 409759
UDIN: 20409759AAAAAX1970

Place : Mumbai
Date : 27th June, 2020

PARESH MULJI KARIYA
(Director & Chairman)
DIN:00215937

Avinash Pratap
(Company Secretary)

For and on Behalf of the Board
Polytex India Limited

ARVIND MULJI KARIYA
(Director & CFO)
DIN:00216112

Forming part of the Standalone Financial Statements for the year ended 31st March, 2020

Note 3			
Cash and cash equivalents	31-Mar-20	31-Mar-19	01-Apr-18
Cash in hand	42,834	885	20,844
Balance with Banks:	35,05,211	2,77,560	3,73,833
Total	35,48,045	2,78,444	3,94,676
Cash and Cash Equivalents as per Cash Flow Statement	35,48,045	2,78,444	
Note 4			
Investments	31-Mar-20	31-Mar-19	01-Apr-18
At Amortised Cost			
Quoted Equity Shares			
Unquoted Shares			
81,000 Equity Shares of Roochi Food Plaza Pvt. Ltd. (FV Rs.10) Purchase Cost: 81,000 Shares @Rs. 350	2,83,50,000	2,83,50,000	2,83,50,000
Add: Fair Valuation Gain/(Loss)	1,62,000	-	-
Note 6			
Current Assets	31-Mar-20	31-Mar-19	01-Apr-18
TDS Receivable (A.Y. 2017-18)	-	-	9,05,796
TDS Receivable (A.Y. 2018-19)	-	7,99,887	7,99,887
TDS Receivable (A.Y. 2019-20)	7,34,392	7,34,392	-
TDS Receivable (A.Y. 2020-21)	6,70,869		-
Advance to Others	24,000	30,600	15,400
Total	14,29,261	15,64,879	17,21,083

Note 5			
Loans and advances	31-Mar-20	31-Mar-19	01-Apr-18
(A) Business Loans	15,12,50,885	12,43,11,384	12,44,41,858
Less: Impairment Loss Allowance	5,66,898	4,66,380	4,66,657
Total (A) Net	15,06,83,987	12,38,45,004	12,39,75,201
(B) Out of Above			
(i) Secured by tangible assets	-	-	-
(ii) Unsecured	15,12,50,885	12,43,11,384	12,44,41,858
Less: Impairment Loss Allowance	5,66,898	4,66,380	4,66,657
Total (B) Net	15,06,83,987	12,38,45,004	12,39,75,201
(C) Out of Above			
(i) Loans Outside India	-	-	-
(ii) Loans in India			
-Public Sector	-	-	-
-Others	15,12,50,885	-	12,44,41,858
Less: Impairment Loss Allowance	5,66,898	4,66,380	4,66,657
Total (C) Net	15,06,83,987	-4,66,380	12,39,75,201

Analysis of changes in gross carrying amount and corresponding ECL Allowances in relation to loans is as follows:

Particulars	FY 2019-20			FY 2018-19		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	-	-	-	-	-	-
New assets originated or purchased	-	-	-	-	-	-
Assets derecognised or repaid (excluding write-offs)	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-
Gross carrying amount closing balance	-	-	-	-	-	-

Particulars	FY 2019-20			FY 2018-19		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	4,66,380	-	-	4,66,380	-	-
New assets originated or purchased	5,66,898	-	-	-	-	-
Assets derecognised or repaid (excluding write-offs)	-4,66,380	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-
Gross carrying amount closing balance	5,66,898	-	-	4,66,380	-	-

Note 7

Property, plant and equipment	Computers & Printers	Total
Cost:		
At 01-Apr-18	8,23,648	8,23,648
Additions/Disposals during the year	-	-
At 31-Mar-19	8,23,648	8,23,648
Additions/Disposals during the year	-	-
Write offs during the year	-	-
At 31-Mar-20	8,23,648	8,23,648
Accumulated Depreciation:		
At 01-Apr-18	7,82,465	7,82,465
Additions/Disposals during the year	-	-
At 31-Mar-19	7,82,465	7,82,465
Additions/Disposals during the year	-	-
Write offs during the year	-	-
At 31-Mar-20	7,82,465	7,82,465
Carrying Amount:		
At 01-Apr-18	41,183	41,183
At 31-Mar-19	41,183	41,183
At 31-Mar-20	41,183	41,183

Note 8

Intangible Assets	Computer & Software	Total
Cost:		
At 01-Apr-18	3,14,595	3,14,595
Additions/Disposals during the year	-	-
At 31-Mar-19	3,14,595	3,14,595
Additions/Disposals during the year	-	-
Write offs during the year	-	-
At 31-Mar-20	3,14,595	3,14,595
Accumulated Depreciation:		
At 01-Apr-18	2,98,865	2,98,865
Additions/Disposals during the year	-	-
At 31-Mar-19	2,98,865	2,98,865
Additions/Disposals during the year	-	-
Write offs during the year	-	-
At 31-Mar-20	2,98,865	2,98,865
Carrying Amount:		
At 01-Apr-18	15,730	15,730
At 31-Mar-19	15,730	15,730
At 31-Mar-20	15,730	15,730

Note 9

Trade Payables	31-Mar-20	31-Mar-19	01-Apr-18
Trade Advances:			
Other Advances	-		
Trade Payables	8,92,361	8,46,150	11,87,108
Total	8,92,361	8,46,150	11,87,108

Note 10

Other Financial Liabilities	31-Mar-20	31-Mar-19	01-Apr-18
Salary Payable	1,59,394	1,18,205	7,24,117
TDS payable	1,30,309	73,930	2,87,443
Other outstanding expenses	1,000	975	775
Total	2,90,703	1,93,110	10,12,335

Note 11

Long-term Provisions	31-Mar-20	31-Mar-19	01-Apr-18
Provision for taxation	4,95,890	10,73,000	12,95,000
Provision for gratuity			
Provision for expenses			
Total	4,95,890	10,73,000	12,95,000

Note 12

Deferred Tax Liabilities-Net	31-Mar-20	31-Mar-19	01-Apr-18
Opening Deferred Tax	1,23,454	1,19,157	1,19,157
Add: During the Year	2,578	4,297	-
Total	1,26,032	1,23,454	1,19,157

Note 13

Other Non-Financial Liabilities			
Long-term Borrowings	31-Mar-20	31-Mar-19	01-Apr-18
Security Deposit Received	3,00,00,000	-	-
Total	3,00,00,000	-	-

Note 14

SHARE CAPITAL	As at 31-Mar-20	As at 31-Mar-19	As at 01-Apr-18
Authorised 1,35,00,000 (March 31, 2019:1,35,00,000; April 01, 2018: 1,35,00,000) Equity Shares of ₹10/- each	13,50,00,000	13,50,00,000	13,50,00,000
Issued, Subscribed and Paid-up 1,35,00,000 (March 31, 2019:1,35,00,000; April 01, 2018: 1,35,00,000) Equity Shares of ₹10/- each	13,50,00,000	13,50,00,000	13,50,00,000
Total	13,50,00,000	13,50,00,000	13,50,00,000

(a) Reconciliation of Shares at the Beginning and at the End of the reporting period

Equity shares of ₹10 each issued, subscribed and fully paid

Particulars	No. of Shares	Amount in ₹
As at April 01, 2018	1,35,00,000	13,50,00,000
Issued during the year	-	-
As at April 01, 2019	1,35,00,000	13,50,00,000
Issued during the year	-	-
As at March 31, 2020	1,35,00,000	13,50,00,000

(b) Shares held by each Shareholder holding more than 5% of the Paid-up Capital

Particulars	31-Mar-20		31-Mar-19		01-Apr-18	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Arvind Mulji Kariya	23,87,500	17.69%	23,87,500	17.69%	23,87,500	17.69%
Jegna Arvind Kariya	22,00,500	16.30%	22,00,500	16.30%	22,00,500	16.30%
Paresh Mulji Kariya	20,97,500	15.54%	20,97,500	15.54%	20,97,500	15.54%
Sadhana Paresh Kariya	23,50,500	17.41%	23,50,500	17.41%	23,50,500	17.41%

Note 15

Other Equity

Statutory Reserve as per Section 45 IC of RBI Act, 1934	
At 01-Apr-18	-
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
At 01-Apr-19	-
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
At 31-Mar-20	-
General Reserve	
At 01-Apr-18	5,64,618
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
At 01-Apr-19	5,64,618
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
At 31-Mar-20	5,64,618
Profit and Loss Account	
At 31-Mar-18	1,57,86,313
Less: Provision for Standard Assets Expenses	-4,66,657
At 1-April-18	1,53,19,656
Add: Transfer from surplus balance in the Statement of Profit and Loss	9,74,975
Less: Transfer to Statutory Reserve	-
Less: Provision for Standard Assets Expenses	277
At 01-Apr-19	1,62,94,908
Add: Transfer from surplus balance in the Statement of Profit and Loss	5,65,694
Less: Transfer to Statutory Reserve	-
Less: Provision for Standard Assets Expenses	-1,00,518
At 31-Mar-20	1,67,60,084

Note 16		
Revenue From Operation	31-Mar-2020	31-Mar-2019
Other Operating Revenue		
Interest On Loan	71,78,007	73,43,918
Total	71,78,007	73,43,918

Note 17		
Other Income	31-Mar-2020	31-Mar-2019
Commission Received	1,93,617	32,371
Dividend Recd	5,100	-
Interest on Refund of IT	10,669	-
Interest Recd on Loan to Employees	1,286	-
Gain on fair valuation of investments	1,62,000	-
Total	3,72,672	32,371

Note 18		
Employee Benefit	31-Mar-2020	31-Mar-2019
Directors Remuneration	24,00,000	24,00,000
Salaries to Employees	11,08,718	11,63,595
Staff Welfare Expenses	77,500	99,750
Gratuity Provision		
Total	35,86,218	36,63,345

Note 19		
Finance Cost	31-Mar-2020	31-Mar-2019
Bank Charges	887	73
Interest on TDS & Income Tax	44	8,901
Total	931	8,974

Note 20		
Other Expenses	31-Mar-2020	31-Mar-2019
Listing & Annual Fees	4,76,540	4,15,360
Office Rent	14,16,000	14,16,000
Membership & Subscription	35,400	
Legal and Professional charges	5,31,563	2,45,726
Auditor's fees	92,550	1,13,280
Travelling & Conveyance expenses	2,730	4,050
Telephone Charges	2,871	2,920
Printing and Stationery	10,575	20,650
Advertisement Charges	37,601	42,198
Postage & Courier	-	28,489
ROC Filing fees	29,800	7,200
Website Charges	3,894	3,776
Office Expenses	73,000	86,000
Professional Taxes-Company	2,500	2,500
Platform Fees - Paymate A/c	4,69,320	-
Provision against std assets	1,00,518	-
Total	32,84,862	23,88,149

POLYTEX INDIA LIMITED

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

(All amounts in INR, unless otherwise stated)

21 First-time adoption of Ind AS

"These financial statements, for the year ended March 31, 2020, have been prepared in accordance with Ind AS. For the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP' or 'Previous GAAP')."

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on March 31, 2020 together with the comparative period data, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2018 and the financial statements as at and for the year ended March 31, 2019.

Optional exemptions availed and mandatory exceptions

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed**(i) Investment in subsidiary**

As per Ind AS 101, a Company may elect to:

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for investment in subsidiary as deemed cost.

B. Mandatory exceptions**(i) Estimates**

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS)

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL

- Impairment of financial assets based on the expected credit loss model

(ii) Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

(iii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost and fair value through profit and loss have been done retrospectively except where the same is impracticable.

C. Reconciliation of equity

Particulars	Note	As at 31 March 2019			As at the date of transition 1 April 2018		
		Previous GAAP (*)	Adjustment on transition to Ind AS	Ind AS	Previous GAAP (*)	Adjustment on transition to Ind AS	Ind AS
I. ASSETS							
1. FINANCIAL ASSETS							-
Cash and cash equivalents		2,78,444	-	2,78,444	3,94,676		3,94,676
Investments		2,83,50,000	-	2,83,50,000	2,83,50,000		2,83,50,000
Loans and advances		12,43,41,984	(30,323)	12,43,11,661	12,44,57,258	(4,82,057)	12,39,75,201
		15,29,70,428	(30,323)	15,29,40,105	15,32,01,934	(4,82,057)	15,27,19,878
2. NON-FINANCIAL ASSETS							
Current assets		15,34,279	30,600	15,64,879	17,05,683	15,400	17,21,083
Property, plant and equipment		41,183		41,183	41,183		41,183
Intangible Assets		15,730		15,730	15,730		15,730
		15,91,192	30,600	16,21,792	17,62,596	15,400	17,77,996
Total Assets		15,45,61,620	277	15,45,61,897	15,49,64,530	(4,66,657)	15,44,97,873
LIABILITIES AND EQUITY							
LIABILITIES							
1. FINANCIAL LIABILITIES							-
Trade payables		8,46,150		8,46,150	11,87,108		11,87,108
Other financial liabilities		1,93,110		1,93,110	10,12,335		10,12,335
2. NON-FINANCIAL LIABILITIES							
Provisions		10,73,000		10,73,000	12,95,000		12,95,000
Deferred Tax Liabilities-Net		1,23,454		1,23,454	1,19,157		1,19,157
Other Non-Financial Liabilities		-		-	-		-
		22,35,714	-	22,35,714	36,13,600	-	36,13,600
3. EQUITY							
Equity share capital		13,50,00,000		13,50,00,000	13,50,00,000		13,50,00,000
Other equity		1,73,25,906	277	1,73,26,183	1,63,50,931	(4,66,657)	1,58,84,274
		15,23,25,906	277	15,23,26,183	15,13,50,931	(4,66,657)	15,08,84,274
Total Liabilities and Equity		15,45,61,620	277	15,45,61,897	15,49,64,531	(4,66,657)	15,44,97,874

* The previous GAAP figures have been reclassified to reconform to Ind AS presentation requirements for the purpose of this note

POLYTEX INDIA LIMITED

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

(All amounts in INR, unless otherwise stated)

D Reconciliation of total comprehensive income for the year ended 31 March 2020

Particulars	Note	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
Income				
Revenue from operations		73,43,918		73,43,918
Other income	1	32,371		32,371
Total Income		73,76,289	-	73,76,289
Expenses				
Employee benefits expense		36,63,345		36,63,345
Finance costs		8,974		8,974
Depreciation and amortisation expense		-		-
Other expenses		23,88,149		23,88,149
Total expenses		60,60,468	-	60,60,468
Profit before tax		13,15,821	-	13,15,821
Tax expense:				
Current tax		3,38,000		3,38,000
Deferred tax charge/ (credit)		4,297		4,297
Tax in respect of Earlier year		(1,451)		(1,451)
Profit for the period from continuing operations		9,74,975	-	9,74,975
Other Comprehensive Income (OCI), net of tax				
OCI not to be reclassified to profit and loss in subsequent periods		-	-	-
Total other comprehensive income		-	-	-
Total Comprehensive Income for the year		9,74,975	-	9,74,975

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

E. Reconciliation of Cash flow for the year ended 31 March 2019

There were no reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

Note:

- As per the requirements of Ind AS 109, the Company has measured all equity investments other than subsidiary, associate and joint ventures at fair value through profit and loss. As per Indian GAAP, the same was recorded at cost.
- The Company has provided expected credit loss as per requirements of Ind AS 109.

POLYTEX INDIA LIMITED

Registered Office: 401, 4th Floor, Nisarg Apartment, Besant Road, Vile Parle (West), Mumbai - 400056

CIN : L51900MH1987PLC042092

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrances of the meeting hall)

I hereby record my presence at the 34th Annual General Meeting of the Company on 30th September, 2020 at 1st Floor, Nisarg Apartment, Besant Road, Vile Parle (West), Mumbai - 400056 at 10.00 A.M.

DP Id* _____

Folio No. _____

Client Id* _____

No. of Shares _____

Name and Address of Shareholder/Proxy

Signature of Shareholder / Proxy

Note: *Applicable for investors holding shares in electronic form.

(To be signed at the time of handing over this slip)

.....

Form No. MGT-11

Proxy form

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

Name of the Company: Polytex India Limited

CIN : L51900MH1987PLC042092

Registered Office: 401, 4th Floor, Nisarg Apartment, Besant Road, Vile Parle (West), Mumbai – 400056

Name of the Member(s)	
Address	
Email ID	
DP ID	
Client Id/Folio No.	

/We, being the member (s) of 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 or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the THIRTY FORTH ANNUAL GENERAL MEETING of the Company, to be held on 30th September, 2020 at 1st Floor, Nisarg Apartment, Besant Road, Vile Parle – West, Mumbai-400056 at 10.00 a.m. or at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution	I/We assent to the resolution(For)	I/We dissent to the Resolution (Against)
1.	Adoption of audited Financial Statements of the Company for the year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.		
2.	Appointment of Mr Paresh Mulji Kariya, who retires by rotation and being eligible, offers himself for reappointment.		
3.	Re Appointment of M/s. Agrawal Jain And Gupta, Chartered Accountants as Statutory Auditors of the Company		
4.	To Approve Re-Appointment Of Mr. Paresh Mulji Kariya, Whole-Time Director of the Company for the period of 5 years.		
5.	To Approve Re-Appointment Of Mr. Arvind Mulji Kariya, Whole-Time Director of the Company for the period of 5 years.		

Signed this.....day of..... 2020

Signature of shareholder.....

Signature of Proxy holder(s).....

Affix Re. 1
revenue
Stamp

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

If Undelivered, Please Return to

POLYTEX INDIA LTD

Registered Office:

401, 4th Floor, Nisarg Apartment,
Besant Road, Vile Parle (West),
Mumbai - 400056