

# AMRAPALI INDUSTRIES LTD

**Annual Report**  
**2019-20**



SMART SAFE & SECURE.



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## CORPORATE INFORMATION

AMRAPALI INDUSTRIES LIMITED  
CIN: L91110GJ1988PLC010674

<p><b>BOARD OF DIRECTORS</b></p> <p>Mr. Yashwant Thakkar Chairman and MD (DIN 00071126)</p> <p>Mr. Rashmikant Thakkar Whole-Time Director (DIN 00071144)</p> <p>Mrs. Komal Parekh Non-Executive Director (DIN 08339839)</p> <p>Mr. Mayur Parikh Independent Director (DIN 00005646)</p> <p>Mr. Haresh Chaudhari Independent Director (DIN 06947915)</p> <p>Mrs. Urshita Patel Independent Director (DIN 07891320)</p>	<p><b>AUDIT COMMITTEE</b></p> <p>Mr. Haresh Chaudhari (Chairperson)</p> <p>Mr. Mayur Parikh (Member)</p> <p>Mrs. Urshita Patel (Member)</p> <p><b>NOMINATION AND REMUNERATION COMMITTEE</b></p> <p>Mr. Haresh Chaudhari (Chairperson)</p> <p>Mr. Mayur Parikh (Member)</p> <p>Mrs. Urshita Patel (Member)</p>	<p><b>BANKERS</b></p> <p>Allahabad Bank</p> <p>HDFC Bank Limited</p> <p>Yes Bank Limited</p> <p>Axis Bank Limited</p> <p>Bank of India</p> <p>Canara Bank</p> <p>Corporation Bank</p> <p>ICBC Bank Limited</p> <p>IndusInd Bank Limited</p> <p>Kotak Mahindra Bank Limited</p> <p>RBL Bank Limited</p>
<p><b>CHIEF FINANCIAL OFFICER</b></p> <p>Mr. Satish Patel</p> <p><b>COMPANY SECRETARY</b></p> <p>Mrs. Ekta Jain</p>	<p><b>STAKEHOLDERS' RELATIONSHIP COMMITTEE</b></p> <p>Mr. Haresh Chaudhari (Chairperson)</p> <p>Mr. Mayur Parikh (Member)</p> <p>Mrs. Urshita Patel (Member)</p>	<p><b>REGISTERED OFFICE</b></p> <p>19, 20, 21, Third Floor, Narayan Chambers, B/H Patang Hotel, Ashram Road, Ahmedabad - 380 006</p> <p>Tel : +91-79-2658 1329;</p> <p>Email: ail@amrapali.com;</p> <p>Web: www.amrapalispot.com</p>
<p><b>STATUTORY AUDITOR</b></p> <p>M/s. D G M S &amp; CO.,</p> <p>Chartered Accountants (Firm Registration No. 0112187W)</p>	<p><b>CORPORATE SOCIAL RESPONSIBILITY COMMITTEE</b></p> <p>Mr. Yashwant Thakkar (Chairperson)</p> <p>Mr. Haresh Chaudhari (Member)</p> <p>Mr. Mayur Parikh (Member)</p>	<p><b>REGISTRAR AND SHARE TRANSFER AGENT (RTA)</b></p> <p>Purva Sharegistry (India) Private Limited</p> <p>Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lowe Parel (EAST), Mumbai, Maharashtra - 400 011</p> <p>Tel: 91-22-2301 2517/8261</p> <p>Email: support@purvashare.com</p> <p>Web: www.purvashare.com</p>
<p><b>SECRETARIAL AUDITOR</b></p> <p>Ms. Payal Dhamecha</p> <p>Practicing Company Secretary Ahmedabad</p>		

## REPORT OF BOARD OF DIRECTORS

To the Members(s)

The Board of Directors hereby submits the report of the business and operations of Amrapali Industries Limited ("the Company"), along with the audited financial statements, for the financial year ended March 31, 2020.

### Financial Results:

(Amount ₹ in Lakh)

Particulars	F.Y. 2019-20	F.Y. 2018-19
Revenue from operations	1,328,341.76	1,408,114.72
Other Income	532.43	1,207.04
<b>Total Income</b>	<b>1,328,874.19</b>	<b>1,409,321.76</b>
Operating expenditure before Finance cost, depreciation and amortization	1,328,146.12	1,408,865.10
Earnings before Finance cost, depreciation and amortization (EBITDA)	728.07	456.66
Less: Finance costs	487.27	304.79
Less: Depreciation and amortization expense	176.79	191.01
<b>Profit/(Loss) before tax</b>	<b>64.00</b>	<b>(39.14)</b>
Less: Tax expense	18.19	(32.56)
<b>Profit/(Loss) for the year (PAT)</b>	<b>45.81</b>	<b>(6.59)</b>

### YEAR AT A GLANCE

#### Financial Performance

The revenue from operations decreased to ₹ 1,328,341.76 lakh as against ₹ 1,408,114.72 Lakh in the previous Year. The revenue from operation was decreased by 5.67% over the previous year. The reduction in trading of the Gold and shares led the Company to achieve lesser revenue. However, with the reduction in other expenses, the Company manages to achieve profit during the financial year 2019-20.

The profit before Tax for the current year is ₹ 64.00 lakh as against the loss before tax of ₹ 39.14 lakh in the previous year resulted into profit after tax of ₹ 45.81 Lakh compared to loss after tax of previous year ₹ 6.59 Lakh.

#### Dividend

To conserve the profit earned during the financial year 2019-20 for future purpose, your Directors regret to declare any dividend for the financial year 2019-20 (previous year Nil).

The Company does not have any amount of unclaimed or unpaid Dividends as on March 31, 2020.

#### Amount transferred to reserve

During the year, the Company has not apportioned any amount to other reserve. The profit earned during the year has been carried to the carry forward credit balance of Profit and Loss account.

#### Change in Nature of Business

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main object of the Company.

#### SHARE CAPITAL:

The present Authorized Capital of the Company is ₹ 2,600.00 Lakh divided into 52000000 Equity Shares of ₹ 5.00 each.

The present Issue, Subscribed & Paid-up Capital of the Company is ₹ 2,570.53 Lakh divided into 51410564 Equity Shares of ₹ 5.00 each.

During the year under review, there was no change took place in the authorized and paid-up share capital of the Company.

#### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### Constitution of Board

The Constitution of the Board of Directors and other disclosure related to the Board of Directors are given in the Report on Corporate Governance.

##### Board Meeting

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly results of the Company. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at registered office of the Company.

During the year under review, Board of Directors of the Company met 9 (Nine) times, viz May 15, 2019; May 28, 2019; July 15, 2019; August 13, 2019; October 4, 2019; November 14, 2019; January 30, 2020; February 11, 2020 and February 24, 2020.

The details of attendance of each Director at the Board Meetings and Annual General Meeting are given in the Report on Corporate Governance.

##### Independent Directors

In terms of Section 149 of the Companies Act, 2013 and rules made there under and Listing Regulations, the Company has three Non-Promoter Independent Directors. In the opinion of the Board of Directors, all three Independent Directors of the Company meet all the criteria mandated by Section 149 of the Companies Act, 2013 and rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are Independent of Management.

A separate meeting of Independent Directors was held on February 24, 2020 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board that is necessary for the board of directors to effectively and reasonably perform their duties.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at [www.amrapalispot.com](http://www.amrapalispot.com).

The Company has received a declaration from the Independent Directors of the Company under Section 149(7) of Companies Act, 2013 and 16(1)(b) of Listing Regulations confirming that they meet criteria of Independence as per relevant provisions of Companies Act, 2013 for financial year 2020-21. The Board of Directors of the Company has taken on record the said declarations and confirmation as submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, they fulfill the conditions as Independent Directors and are independent of the Management. Further, all the Independent Directors have registered themselves with Independent Directors' Data Bank.

None of Independent Directors have resigned during the year.

#### Information on Directorate

During the financial year 2019-20, the Board of Directors at its meeting held on August 13, 2019, on the recommendation of Nomination and Remuneration Committee, re-appointed Mr. Yashwant Thakkar as Chairman and Managing Director and Mr. Rashmikant Thakkar as Whole-Time Director for a period of five (5) years w.e.f. October 1, 2019. The approval of the shareholders were obtained at their 31<sup>st</sup> Annual General Meeting held on September 27, 2019.

Moreover, Mrs. Komal Parekh who was appointed as Additional (Non-Executive) Director of the Company by the Board of Directors on January 21, 2019, effective from the date of allotment of a valid Director Identification Number by Ministry of Corporate Affairs to her. Mrs. Komal Parekh had obtained the Director Identification Number on January 23, 2019. In terms of provision of Section 161 of the Companies Act, 2013, her appointment was regularized at 31<sup>st</sup> annual general meeting of the Company and she has been appointed as Non-Executive Director of the Company, liable to retire by rotation.

As per the provisions of Section 149(10) read with Section 152 and Schedule IV to the Act, Mr. Mayur Parikh was re-appointed as Independent Director for second term of five (5) consecutive years commencing from September 30, 2019.

Pursuant to provisions of Companies Act, 2013 ("the Act"), the shareholders of the Company in the 28<sup>th</sup> Annual General Meeting of the Company held on September 22, 2016 appointed Mr. Haresh Chaudhari as an Independent Director of the Company to hold the office for a period of five (5) years up to July 27, 2021. As per the provisions of Section 149(10) read with Section 152 and Schedule IV to the Act, Mr. Haresh Chaudhari is eligible for re-appointment for a second term of five (5) consecutive years. On the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 28, 2020, has recommended the re-appointment of Mr. Haresh Chaudhari as an Independent Director to hold office for second term of five (5) consecutive years commencing from July 28, 2021 by way of Special Resolution for the members approval in the thirty second AGM of the Company.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Mrs. Komal Parekh, Non-Executive Director of the Company retires by rotation at the ensuing annual general meeting. She, being eligible, has offered herself for re-appointment as such and seeks re-appointment. The Board of Directors recommends her appointment on the Board.

The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards-II issued by ICSI, of the person seeking re-appointment as Directors are annexed to the Notice convening the thirty second annual general meeting.

#### Key Managerial Personnel

In accordance with Section 203 of the Companies Act, 2013, the Company has already appointed Mr. Yashwant Thakkar as Chairman and Managing Director of the Company, Mr. Satish Patel as Chief Financial Officer and Mrs. Ekta Jain as Company Secretary of the Company. Further, there was no change in the Key Managerial Personnel of the Company during the financial year 2019-20.

#### Performance Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the following manners;

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.
- In addition, the chairman was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

#### Directors' Responsibility Statement

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of annual accounts for the year ended March 31, 2020, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended March 31, 2020 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## PROPOSED DE-MERGER OF COMPANY

With a view to establishing highest operational standards and also to unlock the economic value for the entertainment division, the Board of Directors of the Company has, in their meeting held on February 24, 2020, approved the Scheme of Demerger of Entertainment Division of the Company into Amrapali Asset Reconstruction Company Private Limited. The re-organization exercise would inter alia achieve the advantage of 1) realizing assets to create an integrated business model, 2) more focused leadership and dedicated management, and 3) greater visibility on the performance of shares and commodities trading.

Moreover, the resulting company i.e. Amrapali Asset Reconstruction Company Private Limited shall apply to the BSE Limited for getting its shares listed on BSE Limited.

The Company has filed Scheme of Demerger with BSE Limited for obtaining its Observation Letter or No-objection letter and the same is yet pending.

## COMMITTEES OF BOARD

The Board of Directors, in line with the requirement of the act, has formed various committees, details of which are given hereunder.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Grievance & Relationship Committee
4. Corporate Social Responsibility Committee

The composition of each of the above Committees, their respective role and responsibility are detailed in the Report on Corporate Governance annexed to this Report.

### Audit Committee

The Company has formed Audit Committee in line with the provisions Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As at March 31, 2020, the Audit Committee comprised Mr. Haresh Chaudhari (Non-Executive Independent Director) as Chairperson and Mr. Mayur Parikh (Non-Executive Independent Director) and Mrs. Urshita Patel (Non-Executive Independent Director) as Members.

Recommendations of Audit Committee, wherever/whenever given, have been accepted by the Board of Directors.

### VIGIL MECHANISM

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at <https://www.amrapalispot.com/investor/115/Whistle%20Blower%20Policy.pdf>.

### NOMINATION AND REMUNERATION POLICY

Nomination and Remuneration Policy in the Company is designed to create a high performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The Company pays remuneration by way of salary to its Executive Directors and Key Managerial Personnel. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the members and are effective from April 1, of each year.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at <https://www.amrapalispot.com/investor/382/Nomination%20&%20Remuneration%20Policy.pdf> and is annexed to this Report as Annexure - A.

### REMUNERATION OF DIRECTORS

The details of remuneration/sitting fees paid during the financial year 2019-20 to Executive Directors/Directors of the Company is provided in Form MGT-9 and Report on Corporate Governance which are the part of this report.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee ("the CSR Committee") with object to recommend the Board a Policy on Corporate Social Responsibility and amount to be spent towards Corporate Social Responsibility. As at March 31, 2020, the CSR Committee comprised Mr. Yashwant Thakkar (Chairman and Managing Director) as Chairman and Mr. Mayur Parikh (Non-Executive Independent Director) and Mr. Haresh Chaudhari (Non-Executive Independent Director) as Members of the Committee.

The CSR Committee is responsible for indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

During the year under review, CSR Committee Meeting was held on August 13, 2019; November 14, 2019 and February 24, 2020 in which requisite quorum were present. The meetings were held to review and approve the expenditure incurred by the Company towards CSR activities.

Main focus of the Company with respect to CSR Contribution is to provide the grocery items for the benefit of needy and poor people. The Company is purchasing the grocery and other necessary items from "Jay Jalaram Stores" and "Jalaram Provision Stores" and provides same to "Amrapali Jivan Sandhya Kutir" (Trust) which is associated with the social activities. The said trust is providing shelter to the orphan children and also providing the facilities like food, household items etc. to the needy and poor people.

The CSR Policy may be accessed at the web link <https://www.amrapalispot.com/investor/117/Policy%20on%20Corporate%20Social%20Responsibility.pdf>. The Annual Report on CSR activities in prescribed format is annexed as an Annexure - B.

### PUBLIC DEPOSITS

The Company has not accepted any deposits from Shareholders and Public falling within the ambit of Section 73 of the Companies Act, 2013 and rules made there under. There were no deposits, which were claimed and remained unpaid by the Company as on March 31, 2020.



**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement for the year ended on March 31, 2020.

**EXTRACT OF ANNUAL RETURN**

As provided under section 92(3) of the Companies Act, 2013, the details forming part of the extract of the Annual Return in Form MGT-9 is annexed to this Report as Annexure - C.

**TRANSACTIONS WITH RELATED PARTIES**

During the year under review, transactions with related party were executed in terms of Section 188 of the Companies Act, 2013 which were in ordinary course of business and on Arms' Length Basis, details of which are as under;

Sr. No.	Particulars	RPT - 1	RPT - 2
1.	Name(s) of the related party and nature of relationship	Amrapali Online Venture LLP - Enterprise in which partners are relative of KMP	
2.	Nature of contracts/ arrangements/ transactions	Sale of Gold	Purchase of Gold
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2019-20	
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	In ordinary Course of Business and at arms' length basis - at Market Rate. Total Transaction Value of Sale - ₹ 304.63 Lakh	In ordinary Course of Business and at arms' length basis - at Market Rate. Total Transaction Value of Purchase - ₹ 78.90 Lakh
5.	Date(s) of approval by the Board	May 15, 2019	
6.	Amount paid as advances, if any	-	

Sr. No.	Particulars	RPT - 3	RPT - 4
1.	Name(s) of the related party and nature of relationship	Amrapali Capital Finance and Services Limited - Enterprise in which Directors are relative of KMP	
2.	Nature of contracts/ arrangements/ transactions	Sale of Gold	Purchase of Gold
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2019-20	
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	In ordinary Course of Business and at arms' length basis - at Market Rate. Total Transaction Value of Sale - ₹ 646.58 Lakh	In ordinary Course of Business and at arms' length basis - at Market Rate. Total Transaction Value of Purchase - ₹ 6,253.10 Lakh
5.	Date(s) of approval by the Board	May 15, 2019	
6.	Amount paid as advances, if any	-	

There was no contracts, arrangements or transactions which was executed not in ordinary course of business and/or at arm's length basis.

Further, there were no related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

Members may refer to the notes to the accounts for details of related party transactions entered as per Indian Accounting Standard - 24. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the SEBI LODR Regulations.

The Policy on Materiality of and dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Web-link: <https://www.amrapalispot.com/investor/114/Related%20Party%20Transaction%20Policy.pdf>

**INTERNAL FINANCIAL CONTROL (IFC) SYSTEMS AND THEIR ADEQUACY**

Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources. Apart from these internal control procedures, a well-defined and established system of internal audit is in operation to independently review and strengthen these control measures, which is carried out by a reputed firm of Chartered Accountants. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditor of the Company and the audit committee. The conduct of internal audit is oriented towards the review of internal controls and risks in its operations.

M/s. D G M S & CO., Chartered Accountants (FRN: 0112187W), the statutory auditors of the Company has audited the financial statements included in this annual report and has issued an report annexed as an Annexure B to the Audit Report of the Company on our internal control over financial reporting (as defined in section 143 of Companies Act, 2013).

The audit committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditor. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee



also meets the statutory auditors of the Company to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically. Based on its evaluation (as defined in section 177 of Companies Act 2013), our audit committee has concluded that, as of March 31, 2020, our internal financial controls were adequate and operating effectively.

#### **MATERIAL CHANGES AND COMMITMENT**

There are no material changes and commitments, affecting the financial position of the Company, have occurred between the ends of financial year of the Company i.e. March 31, 2020 to the date of this Report.

#### **PARTICULAR OF EMPLOYEES**

The ratio of the remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure - D**.

The statement containing top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to members excluding this annexure. In terms of Section 136 of the Act, the said annexure is open for inspection in electronic mode for Members. Any shareholder interested in obtaining a copy of the same may write to Company Secretary.

#### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. The Company has setup an Internal Complaints Committee (ICC) for redressal of Complaints.

During the financial year 2019-20, the Company has received Nil complaints on sexual harassment, out of which Nil complaints have been disposed off and Nil complaints remained pending as of March 31, 2020.

#### **RISK MANAGEMENT**

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

##### **A. Conservation of energy -**

- i.) **The steps taken or impact on conservation of energy:** Company ensures that the operations are conducted in the manner whereby optimum utilisation and maximum possible savings of energy is achieved.
- ii.) **The steps taken by the Company for utilizing alternate sources of energy:** No alternate source has been adopted.
- iii.) **The capital investment on energy conservation equipment:** No specific investment has been made in reduction in energy consumption.

##### **B. Technology absorption -**

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

##### **C. Foreign Exchange Earnings & Expenditure:**

- i.) **Details of Foreign Exchange Earnings:** Nil
- ii.) **Details of Foreign Exchange Expenditure:** Nil

#### **CORPORATE GOVERNANCE**

Your Company strives to incorporate the appropriate standards for corporate governance. As stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance and Certificate of the Practicing Company Secretary with regards to compliance with the conditions of Corporate Governance is annexed to the Board's Report as **Annexure - E**.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report.

#### **STATUTORY AUDITOR AND THEIR REPORT**

M/s. D G M S & CO., Chartered Accountants (Firm Registration No. 0112187W) (formally known as M/s. Doshi Maru & Associates) were appointed as Statutory Auditors of your Company at the twenty ninth Annual General Meeting held on September 29, 2017, for a term till the conclusion of thirty third Annual General Meeting to be held in the calendar year 2021, subject to ratification of appointment at every subsequent annual general meeting to be held after twenty ninth Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting and hence resolution for ratification of appointment of statutory auditor is not proposed by the Board of Directors.

The Report given by the Auditors on the financial statement of the Company is part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

**REPORTING OF FRAUD**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

**MAINTENANCE OF COST RECORD**

Since the company is not falling under prescribed class of Companies, our Company is not required to maintain cost record.

**INDIAN ACCOUNTING STANDARDS (IND AS) - IFRS CONVERGED STANDARDS**

Your Company had adopted Ind AS with effect from April 1, 2017 pursuant to Ministry of Corporate Affairs notification dated February 16, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. Your Company has provided Ind AS Financials for the year ended March 31, 2020 along with comparable as on March 31, 2019.

**SECRETARIAL AUDITOR AND THEIR REPORT**

The Company has appointed Ms. Payal Dhamecha, Practicing Company Secretary, to conduct the secretarial audit of the Company for the financial year 2019-20, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the financial year 2019-20 is annexed to this report as an **Annexure - F1**.

The Annual Secretarial Compliance Report for the financial year ended March 31, 2020 issued by Mr. Anand Lavingia, in relation to compliance of all applicable SEBI Regulations/ Circulars/Guidelines issued thereunder, pursuant to requirement of Regulation 24A of the Listing Regulations read with Circular no. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is annexed to this report as an **Annexure - F2**. The Secretarial Compliance Report has been voluntarily disclosed as a part of Annual Report as good disclosure practice.

There have been few common annotations reported by the above Secretarial Auditors in their Report with respect to 1) The Company has not submitted Cyber Security Incident Report for the quarter ended on June 30, 2019, September 30, 2019 and March 31, 2020 in terms of various circulars issued by SEBI and MCX, 2) The Company has not submitted Report on AI (Artificial Intelligence) and ML (Machine Learning) technologies for the quarter ended on March 31, 2019, September 30, 2019 and December 31, 2019 in terms of various circulars issued by SEBI and MCX and 3) The Company has not reported new demat account(s) opened by the stock broker to exchanges within the time specified for reporting of such accounts in terms of various circulars issued by SEBI and MCX.

The Board of Directors hereby states that since, the portal of MCX remained open for certain time period only for submission of aforementioned compliances, the said compliances cannot be submitted to MCX. However, the Company is taking due care for not repeating the said delay and ensuring the compliances in due time.

**COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2**

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

**GENERAL DISCLOSURE**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review or they are not applicable to the Company;

- (i) Details relating to deposits covered under Chapter V of the Act;
- (ii) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- (iv) There is no revision in the Board Report or Financial Statement;
- (v) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
- (vi) Information on subsidiary, associate and joint venture companies.

**APPRECIATIONS AND ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment during the year under review.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers, business partners and others associated with it as its trading partners. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be your Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

**Registered office:**

19, 20, 21, Third Floor, Narayan Chambers,  
B/H Patang Hotel, Ashram Road,  
Ahmedabad - 380 006

For and on behalf of Board of Directors  
**Amrapali Industries Limited**  
CIN: L91110GJ1988PLC010674

**Date:** August 28, 2020  
**Place:** Ahmedabad

**Yashwant Thakkar**  
Chairman and Managing Director  
DIN 00071126

**Rashmikant Thakkar**  
Whole-Time Director  
DIN 00071144