



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Snehal Patel
Managing Director

Mrs. Manisha Bhatewara
Independent Director

Mr. Chirag Rawal
Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Ankit Shukla
Chief Financial Officer

Mr. Abdulquadir Hajiwal
Company Secretary & Compliance officer

Mr. Snehal Patel
Managing Director

JOINT STATUTORY AUDITORS

M/s. J. Vageriya & Associates (FRN: 124193W)
Chartered Accountants, Ahmedabad
704, Abhishree Avenue, opp. Hanuman Temple
Nr, Nehrunagar Cross Roads, Ambawadi Road
Ahmedabad
E-Mail: jva@vageriya.com

M/s. Sunil Dad & Co. (FRN: 126741W)
Chartered Accountants, Ahmedabad
1016, Anand Mangal-III, Nr. Apollo Centre
Parimal Cross Road, Ambawadi
E-Mail: info@sdco.co.in

REGISTERED OFFICE

88, Ajanta Commercial Center,
Nr. Income Tax Circle,
Ashram Road,
Ahmedabad – 380009
Phone: +91-79-27540175
E mail: compliance.mgc@gmail.com
Web: www.aromaenterprises.in
CIN: L51909GJ1994PLC021482

SECRETARIAL AUDITOR

CS Shubham Agarwal
A-302, Sardar Patel Society,
Shastri Nagar, Naranpura,
Ahmedabad - 380013
E mail: fcs.shubhamgoyal@gmail.com

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited
D – 153 A, 1st Floor, Okhla Industrial Area,
Phase – I, New Delhi, Delhi – 110020
Phone: +91-11-26812682/83
E mail: sagarwal1910@gmail.com

26TH ANNUAL GENERAL MEETING

Date : September 30, 2020
Day : Wednesday
Time : 11:00 AM
Venue : 88, Ajanta Commercial Centre,
Nr. Income Tax Circle,
Ashram Road,
Ahmedabad – 380009

DIRECTOR'S REPORT

To,
The Members
Aroma Enterprises (India) Limited
Ahmedabad

1. COMPANY SPECIFIC INFORMATION:

1.1 FINANCIAL RESULTS:

The Board of Directors hereby submits the report of the business and operations of your company along with the audited financial statements, for the financial year ended March 31, 2020.

PARTICULARS	2019-2020	2018-2019
Revenue from Operation	7,09,46,810	34,94,41,530
Other Income	1,43,24,094	-
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expenses	4,75,89,852	58,76,284
Less: Depreciation/ Amortisation/ Impairment	16,32,748	24,16,064
Profit/loss before Finance Costs, Exceptional items and Tax Expenses	4,59,57,104	34,60,220
Less: Finance Costs	8,24,981	7,85,120
Profit/loss before Exceptional items and Tax Expenses	(4,67,82,085)	26,75,100
Add/Less: Exceptional items	0	0
Profit/loss before Tax Expenses	(4,67,82,085)	26,75,100
Less: Tax Expenses (Current & Deferred)	(1,97,768)	11,06,208
Profit/loss for the Year (1)	(4,65,84,317)	15,68,892
Total Comprehensive Income/Loss(2)	0	0
Total (1+2)	(4,65,84,317)	15,68,892

REVIEW OF OPERATION:

The Total income from the operations is Rs. 8,52,70,904 and the expenditure incurred during the year is Rs.13,20,52,989. Further Net Loss of the company is Rs. 4,65,84,317 which is fallback for the company as in previous year company earned profit of Rs. 15,68,892.

1.2 TRANSFER TO RESERVES:

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

1.3 DIVIDEND:

The Board of Directors of your Company, after considering holistically the relevant circumstances, has decided that it would be prudent not to recommend any Dividend for the year under review.

1.4 MAJOR EVENTS OCCURRED DURING THE YEAR

a) **State of the company's affair:**

The Company is currently into the buying, selling and trading of Cigarettes with the brand named "One & Only" and commissioning of Coal.

b) Change in Nature of Business:

During the year there has been no change in the nature of the business of the Company.

c) Material changes and commitments affecting the financial position of the company:

There has been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

2. GENERAL INFORMATION:**2.1 Overview of the Industry and important changes in the industry during the last year:**

The Trade and Investments industry in India continues to maintain its momentum, driven by economic and social developments and population growth. As a tumultuous 2019 grinds to a close, all hopes are now pinned on 2020. With gross domestic product (GDP) growth slowing to 4.5% during the July-September quarter for 2019-20, manufacturing activity contracting, private investment drying up and inflation slowly creeping up, Indians have been desperate for some signs of green shoots going into 2020. On one side, there is now a groundswell of expectations that the government will initiate a fiscal stimulus programme. On the other hand, there are also some hopes that the economy will finally show some signs of responding to the government's past spending

2.2 External Environment and Economic Outlook:

Owing to the COVID-19 pandemic situation which is faced by the entire nation and other countries at large our company experienced a setback in the major activity which has ultimately led to substantial difference in the profit of the company as compared to that of last year. Your management has taken timely decisions with regards to the current business and the management is trying its best to reciprocate the ill effect of the pandemic situation which is being faced by the company. The impact of the global health pandemic may be different at various intervals through the year which may or may not be in the control of the management of the company but the management will spare no effort at its end. Moving forward, COVID-19 pandemic poses significant demand and supply challenges. Your Company is closely monitoring developments across markets to effectively respond to potential disruptions and minimize impact. In all its initiatives, safety of employees remains your Company's foremost priority.

3. CAPITAL AND DEBT STRUCTURE:

During the year under review, the company has neither issued nor bought back shares. The Capital of the company remains same as under.

Authorized Share Capital	Rs.7,50,00,000 divided into 75,00,000 shares of Rs. 10 each
Issued Share Capital	Rs.5,00,00,000 divided into 50,00,000 shares of Rs. 10 each
Paid Up share Capital	Rs.4,94,04,000 divided into 49,40,400 shares of Rs. 10 each

The Capital of the Company consists of only Equity shares and no debenture or any other debt securities issued by the company.

4. CREDIT RATING

During the year the company has not issued any securities and not raised any loan which requires credit rating, hence credit rating provision is not applicable on company and has not obtained any credit rating during the year.

5. INVESTOR EDUCATION AND PROTECTION FUND

The Company was not required to transfer any amount to the Investor Education and Protection Fund.

6. MANAGEMENT:

6.1 Directors and Key Managerial Personnel:

Board Composition:

The constitution of the Board (as on 31/03/2020) and the attendance of the Directors are given below:

Name of the Director	Category of the Director (NE/E/ID)	Designation	No. of Directorship	No. of Meetings attended	Details of committee		Presence in previous AGM
					Chairman	Member	
Snehal Ajitbhai Patel	Executive Director	Managing Director	09	07	0	2	No
Chirag Rawal	Independent Director	Director	01	07	4	4	Yes
Manisha Sagar Bhatewara	Independent Director	Director	02	07	0	3	Yes

Directors:

1. Appointments:

There has been no appointment of any director in the company during the year under review.

2. Re-appointment:

There has been no Re-appointment of any director in the company during the year under review.

Key managerial person:

There has been no change in the composition of the Key Managerial Personnel (KMP) during the financial year under review.

6.2 Independent Director:

There was no appointment of Independent Director during the year under review.

6.3 Independent director's declaration and statement on compliance of code of conduct:

The company has received necessary declarations from each Independent Director under Section 149(6) and 149(7) of the Companies Act, 2013 and regulation 16(1)(b) and regulation 25(8) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, that they meet the criteria of independence laid down thereunder.

The Independent Directors of the company have complied with the code for Independent Directors as prescribed in Schedule IV of the act.

As on 31st March, 2020, half of the Board Members consist of Independent Directors having rich experience in their fields and they have added value to the management of the company. An enlightened Board consciously creates a culture of Board leadership to provide a long-term vision and policy thinking in order to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests.

Independent Directors of the company met 1 (One) time during the year 2019 - 2020 dated 27/02/2020 without the attendance of Non Independent Director and members of the Board.

6.4 Board Meetings:

During the period under review, 07(Seven) Board Meeting were held by the Board of Directors to transact various business items.

The details are as mentioned below:

Sr. No	Date and Day of the Board Meeting	Sr. No	Date and Day of the Board Meeting
1	02/05/2019 (Thursday)	5	14/11/2019(Thursday)
2	30/05/2019(Thursday)	6	14/02/2020(Friday)
3	14/08/2019 (Wednesday)	7	12/03/2020 (Thursday)
4	05/09/2019(Thursday)		

6.5 Committees:

1. Audit Committee:

a) Brief Description

The primary object of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor notes the processes and safeguards employed by each of them.

b) Constitution and Composition of Audit Committee

The Company has in accordance with the Section 177 of the companies Act, 2013 and Regulation 18 of SEBI (Listing obligations and Disclosure Requirements), 2015 constituted the Audit Committee. The Audit Committee met 4 (Four) times during the last financial year on the following dates:

Sr. No.	Date and Day of the Meeting	Sr. No.	Date and Day of the Meeting
1.	29/05/2019 (Wednesday)	3.	13/11/2019 (Wednesday)
2.	13/08/2019 (Tuesday)	4.	13/02/2020 (Thursday)

The constitution of the Committee (as on 31/03/2020) and the attendance of each member of the Committee are given below:

Name of the Member	Type of Director	Category	No. of Meetings	Attendance
Mr. Chirag Rawal	Independent Director	Chairman & Member	4	4
Mrs. Manisha Bhatewara	Independent Director	Member	4	4
Mr. Snehal Patel	Managing Director	Member	4	4

2. Nomination & Remuneration Committee

a) **Constitution & Composition of Nomination & Remuneration Committee:**

The Company has in accordance with Section 178(1) of the companies Act, 2013 and Regulation 19 of SEBI (Listing obligations and Disclosure Requirements), 2015 constituted the Nomination & Remuneration Committee. The main function of the Nomination & Remuneration Committee is the formulation and recommendation of the policy for the appointment, removal, performance evaluation of the directors & the consideration to be paid to them and other matters as may be determined by the committee and the prevailing provisions for formulation of criteria for evaluation of Independent Directors and Board. Further to recommend/review remuneration of Directors based on their performance and carry out functions as mandated by Board from time to time.

The Committee consists of Mr. Chirag Rawal, Mrs. Manisha Bhatewara and Mr. Snehal Patel and there has been no meeting which is conducted by the Nomination and Remuneration Committee.

3. **Stakeholders Relationship Committee:**

The Company has formulated the Stakeholders Relationship Committee in accordance with the Section 178(5) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as entered into by the Company. The function of the Stakeholders Relationship Committee is to look into complaints if any and redress the same expeditiously. Besides, the committee approves allotment, transfer & Transmission of shares, Debentures, issue of any new certificates on split / consolidation / renewal etc. as may be referred to it. During the relevant financial year, 4 (Four) Committee Meetings were held on following dates:

Sr. No.	Date and Day of the Meeting	Sr. No.	Date and Day of the Meeting
1	16/05/2019 (Thursday)	3	12/12/2019 (Thursday)
2	02/09/2019 (Monday)	4	07/03/2020 (Monday)

The constitution of the Committee as on 31/03/2020 is as under:

Name of the Member	Type of Director	Category	No. of Meetings	Attendance
Mr. Chirag Rawal	Independent Director	Chairman & Member	4	4
Mr. Snehal Patel	Managing Director	Member	4	4

Company has not received Complain from shareholders of the Company during the year of review which is yet pending.

The details of the Compliance Officer and the details of complaints received / solved / unsolved during the year are as follows:

Compliance Officer:

Name: Mr. Abdulqadir Shoeb Hajiwala, Company Secretary & Compliance Officer

Mail Id: compliance.mgc@gmail.com

Contact No.: 079-27540175

Compliant received during the year*	Compliant solved during the year	Compliant pending during the year*
-	-	-

Note: The Company had not received any investor complaint in the year 2019-2020.

4. Independent Directors' Meeting:

The Independent Directors of the Company met during the year on 27/02/2020 without the attendance of non – Independent Directors and members of the Board. The Independent Directors reviewed the performance of the non-independent Directors and Board as whole. The performance of the Chairman taking into account the views of executive Directors and non-executive Directors assessed the quality, quantity and timeline of flow of information between company management and Board.

6.6 Recommendation of Audit Committee:

There were no transactions which were recommended by the audit committee and not accepted by the board of the directors of the company.

6.7 Company's Policy on Directors appointment and remuneration:

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the board, and separate its functions of governance and management. The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013 is available at company's website www.aromaenterprises.in.

There has been no change in the policy since last fiscal. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

6.8 Board Evaluation:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board.

The evaluation framework for assessing the performance of Directors (including Independent Directors) comprises of the following key areas:

- Attendance and participation in the Meetings and timely inputs on the minutes of the meetings.
- Adherence to ethical standards & code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
- Interpersonal relations with other directors and management.
- Objective evaluation of Board's performance, rendering independent, unbiased opinion.
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information.

The evaluation involves Self-Evaluation of the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

1. Observations of board evaluation carried out for the year:
2. Previous year's observations and actions taken:
3. Proposed actions based on current year observations:

6.9 Remuneration of Directors and Employees of Listed companies:

Pursuant to the Sub – Rule (2) of the Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and Amendment rules, 2016, read with Section 197 of the Act, no employee was in receipt of the remuneration in aggregate to Rs. One Crore Two Lakhs per annum or Rs. Eight Lakh Fifty Thousand per month or at a rate in excess of that drawn by the Managing Director / Whole – time director of Manager and holds himself or along with his spouse & dependent children, not less than two percent of the equity shares of the Company. Further, the information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

As per the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of the ratio of the remuneration of each director to the median employee's remuneration are described in the "**Annexure-I**" to this report.

Further, in pursuance to the Rule 5(2) of the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014, the details of the employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year, which, in the aggregate, or as the case may be, at a rate which in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Directors or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the company, is not being feasible for the company, as the company currently pays sitting fees to the director of the company.

6.10 Remuneration received by Managing Director/ Whole time Director from holding or subsidiary company:

There is no such amount received by the Managing Director/ Whole time Director as the company does not have any holding company or subsidiary company.

6.11 Director's responsibility statement:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their Knowledge and ability confirm and state that –

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- II. The Directors had selected such accounting policies and applied them consistently and made judgments and Estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the company for that period;
- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. The Directors had prepared the annual accounts on a 'going concern' basis;
- V. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- VI. 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.

6.12 Internal Financial Controls:

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are also generally placed before the Board. Some key features of the company's internal controls systems have been provided in the Management discussion and Analysis Report as **Annexure –V** which being annexed to this report.

6.13 Frauds reported by the Auditor:

In pursuance to the Section 134(3)(ca) of the Companies Act, 2013 ("the Act"), there has been no reported frauds being detected by the Auditor of the Company in accordance with the Section 143(12) of the Act.

7. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

The Company does not have any Subsidiary, Associates Company or Joint Venture.

8. DETAILS OF DEPOSITS:

The Company has not invited or accepted deposit within the meaning of section 73 of the Companies Act, 2013 read with rules made there under, from the public neither does have any unpaid or unclaimed deposits along with interest during the year. Further, the company has not made any default in repayment of deposits or payment of interest thereon, as no deposits have been invited or accepted by the Company during the year. Furthermore, there are no such deposits which are not in compliance with the requirements of Chapter V of the Act.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Details of loan, guarantees or investment as per section 186 of the act are provided in the notes to the financial Statement.

10. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

Particulars of contracts or arrangements with related Parties referred to in Section 188(1) of the Companies, 2013 in the prescribed form AOC-2 is appended as "**Annexure- II**" of the Board's report.

11. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

Your company is not falling under the criteria mention as per Section 135 (1) of the Companies Act, 2013 and the companies (Corporate Social Responsibilities) Rules, 2014. Hence, the company has not developed and implemented any corporate Social Responsibilities initiatives.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Conservation of Energy and Technology Absorption:

During the year under review, there are no manufacturing activities undertaken by the company. However, the company has made necessary endeavor to conserve the non-renewable resources and Energy and has taken utmost care to use the latest technology to conserve the energy.

Foreign Exchange Earnings : Nil (PreviousYear:Nil)
Foreign Exchange Expenditure :Nil (Previous Year: 92,10,865)

13. RISK MANAGEMENT:

Considering the present condition of the company the company has formulated the risk management policy. The board is being regularly provided with information which may have potential threat of risk as and when required.

14. DETAILS OF WHISTLE BLOWER POLICY & VIGIL MECHANISM:

The Company has established a "Whistle Blower and Vigil Mechanism Policy" for Directors and employees to report the genuine concerns as per the provisions of Section 177 (9) of the Companies Act, 2013. However the Section is not applicable to the Company but the company has formed the policy as a part of good governance and such policy is available at company's website www.aromaenterprises.in.

15. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORY:

There have been no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

However members attention is drawn to the point that an Adjudication Order, involving the past promoter of Aroma Enterprises (India) Limited and the company, has been passed by the Adjudication Officer dated June, 28, 2019 for which the payment has been done by company and the same has been intimated to the stock exchange.

16. AUDITORS:

Internal Auditor:

In pursuance to the provisions of Section 138 of the Companies Act, 2013, your Company has appointed NMV & Associates, Chartered Accountants, to conduct internal audit of the Company.

Statutory Auditor:

M/s. J. Vageriya & Associates (FRN: 124193W) Chartered Accountants, Ahmedabad and M/s. Sunil Dad & Co. (FRN: 126741W) Chartered Accountants, Ahmedabad, had been appointed as the Statutory Auditor of the Company for a period of 5 years subject to the ratification by member at every Annual General Meeting and whose tenure of one year has been completed out of their tenure of 5 years and will continue for the remaining tenure of 4 years till 31/03/2024. The Company has received a certificate from the above Auditors to the effect that they are eligible for the re-appointment, and, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The observations and comments, if any, marked in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

Cost audit report:

As per section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, company does not fall under the criteria mentioned in the Rules.

Secretarial Auditor:

Mrs.Shubham Agrawal, Practicing Company Secretaries, has been appointed for the purpose of conducting Secretarial Audit of the Company.

As the company have claimed exemption under the Regulation 15 of SEBI Listing Obligation (Disclosure & Requirements) Regulations, 2015, for Corporate Governance the provisions of Annual secretarial compliance report as per circular dated 08th February, 2019 is not applicable on the Company.

17. SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report is appended to this report as “Annexure IV”.

18. EXPLANATIONS IN RESPONSE TO AUDITORS QUALIFICATIONS:

Explanation to the observations given in the independent Audit report:

There have been no observations and comments which requires the explanation of the management.

Explanation to the observations given in the Secretarial Audit report:

There have been no observations and comments which requires the explanation of the management.