



AMRAPALI CAPITAL AND FINANCE SERVICES LIMITED

26th Annual Report 2019-2020

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Corporate Information

Amrapali Capital and Finance Services Limited

CIN: L65910DN1994PLC000362

BOARD OF DIRECTORS:

Name	Designation
Mr. Chirag Thakkar	Managing Director
Mr. Alkesh Patel	Non- Executive Director
Ms. Bhumi Patel	Non- Executive Director
Mr. Shankar Bhagat	Non- Executive Independent Director
Ms. Urshita Patel	Non- Executive Independent Director

KEY MANAGERIAL PERSONNEL:

Name	Designation
Ms. Rushika Parekh	Company Secretary and Compliance Officer
Mr. Baldev Manubhai Patel	Chief Financial Officer

REGISTERED OFFICE	CORPORATE OFFICE
Shop No. 3, Ground Floor, Ashoka Complex, B/H. Woodland Hotel, NaroliCreoss Road Silvassa – 396230 Tel No. +91-26-0263 3291 Email: grievances@amrapali.com; Web: www.amrapali.com	19, 20, 21 3rd Floor, Narayan Chambers, Behind Patang Hotel, Ellisbridge, Ashram Road, Ahmedabad – 380 009 Tel No. +91-79- 2657 5105/06 Email: grievances@amrapali.com; Web: www.amrapali.com

STATUTORY AUDITOR	SECRETARIAL AUDITOR
M/s D. G. M. S. & Co. Chartered Accountants 217/218, Manek Centre, P.N Marg, Jamnagar- 361 001,(Gujarat) India Tel No.: +91-288-266 1941/266 1942 Email: dgmsco.jam@gmail.com	Ms. Payal Dhamecha Practicing Company Secretary S/1, 2nd Floor, Olway House, Nr. Navneet House, Gurukul Ahmedabad-380052. E-Mail: payald1314@gmail.com Tel No: +91-82383 28985

REGISTRAR & SHARE TRANSFER AGENT	BANKERS TO THE COMPANY
Satellite Corporate Services Private Limited Unit No. 49, Bldg No.13-A-B, 2nd Floor, Samhita Commercial Co-Op. Soc. Ltd. Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai - 400 072; E-mail: service@satellitecorporate.com; Tel no. 022 -28520461-62	HDFC Bank

COMMITTEES OF BOARD

AUDIT COMMITTEE		STAKEHOLDER'S RELATIONSHIP COMMITTEE		NOMINATION & REMUNERATION COMMITTEE	
NAME	DESIGNATION	NAME	DESIGNATION	NAME	DESIGNATION
Ms. Urshita Patel	Chairperson	Ms. Urshita Patel	Chairperson	Ms. Urshita Patel	Chairperson
Mr. Alkesh Patel	Member	Mr. Chirag Thakkar	Member	Mr. Shankar Bhagat	Member
Mr. Shankar Bhagat	Member	Ms. Bhumi Patel	Member	Ms. Bhumi Patel	Member

DIRECTORS' REPORT

Dear Shareholders,

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

Financial Highlights:

(₹ in Lakhs)

Particulars	F.Y. 2019-20	F.Y. 2018-19
Revenue From Operations	7948.15	396387.58
Other Income	676.04	443.43
Total Income	8624.19	396831.02
Less: Total Expenses before Depreciation, Finance Cost and Tax	8143.77	396591.20
Profit before Depreciation, Finance Cost and Tax	480.42	239.83
Less: Depreciation	48.05	49.77
Less: Finance Cost	364.01	111.80
Profit Before Tax	68.36	78.26
Less: Current Tax	11.28	18.20
Less: Deferred tax Liability (Asset)	1.74	2.19
Profit after Tax	55.34	57.87

BUSINESS OVERVIEW:

Financial performance:

During the financial year 2019-20 the revenue from operation stood at ₹7948.15 Lakhs as compared ₹396387.58 Lakhs during the preceding financial year 2018-19. The reason of decrease in revenue from operation is non trading of silver and bonds in the current financial year 2019-20. The other income of the Company stood as ₹676.04 Lakhs in the financial year 2019-20 as compared to ₹443.43 Lakhs in financial year 2018-19.

Further, during the financial year 2019-20, the total expenses have reduced from ₹396591.20 lakhs to ₹8143.77 lakhs. The Net Profit after Tax for the financial year stood at ₹57.87 Lakhs in comparison to that of ₹ 55.34 Lakhs in previous year 2018-19 i.e. decrease in profit by 4.37% as compared to previous year.

Dividend:

With a view to conserve and save the resources for future prospects of the Company, the Directors have not declared any dividend for the financial year 2019-20.

Transfer to General Reserve:

The Directors do not propose to transfer any amount to the Reserves. Total amount of net profit is carried to the Reserves & Surplus as shown in the Balance Sheet of the Company.

Change in Nature of Business:

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

Share Capital:

During the year under review, no changes took places in the Authorized and Paid-up share capital of the Company.

Authorized Capital

The Authorized Capital of the Company is ₹10,00,00,000/- divided into 10000000 Equity Shares of ₹10/- each.

Issued, Subscribed & Paid-Up Capital

The present Paid-up Capital of the Company is ₹ 9,77,86,000/- divided into 9778600 Equity Shares of ₹10/-.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:**Constitution of Board:**

As on the date of this report, the Board comprises of the following Directors;

Name of Director	Category Cum Designation	Date of Appointment at current Term & designation	Total Directors ²	No. of Committee ¹		No. of Shares held as on March 31, 2020
				in which Director is Members	in which Director is Chairman	
Mr. Chirag Thakkar	Chairman & Managing Director	January 13, 2016	3	1	-	1440100 Equity Shares
Mrs. Bhumi Patel	Non-Executive Director	March 18, 2016	2	1	-	-
Mr. Alkesh Patel	Non-Executive Director	March 23, 2015	2	1	-	-
Mr. Shankar Bhagat	Independent Director	September 28, 2019	3	2	2	-
Ms. Urshita Patel	Independent Director	December 26, 2018	2	2	2	-

¹ Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies.

² Excluding Section 8 Company & struck off Companies

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from the requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

None of the Director of the Company is serving as a Whole-Time Director / Managing Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company. Neither any of the Director of the Company is holding position as Director in more than 7 listed entities nor any of the Director of the Company serve as an Independent Director in more than 7 listed entities.

Board Meeting

The Board of the Company regularly meets to discuss various Business opportunities. Additional Board meetings are convened, as and when required to discuss and decide on various business policies, strategies and other businesses.

During the year under review, Board of Directors of the Company met 11(Eleven) times on May 29, 2019; July 16, 2019; July 24, 2019; August 23, 2019; August 30, 2019; October 05, 2019; November 13, 2019; January 06, 2020; January 17, 2020; March 16, 2020 and March 26, 2020.

The details of attendance of each Director at the Board Meetings are given below:

Name of Director	Date of Original Appointment	Date of Cessation	Number of Board Meetings Eligible to attend	Number of Board Meetings attended
Mr. Chirag Thakkar	March 01, 2008	-	11	10
Mrs. Bhumi Patel	March 18, 2016	-	11	11

Mr. Alkesh Patel	March 23,2015	-	11	11
Mr. Shankar Bhagat	March 12,2013	-	11	11
Ms. Urshita Patel	December 26, 2018	-	11	11

The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

Independent Directors:

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has three Non-Promoter Non-Executive Independent Directors in line with the act. The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Act. Further, all the Independent Directors of the Company have registered themselves in the Independent Director Data Bank.

A separate meeting of Independent Directors was held on March 16, 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.

Information on Directorate:

During the year under review, there was no change in constitution of the Board of Directors of the Company.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Ms. Bhumi Patel(DIN: 07473437), 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 Nomination and Remuneration Committee and Board of Directors recommends her re-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 Standard, of the person seeking re-appointment/ appointment as Director are also provided in Notes to the Notice convening the 26th Annual General meeting.

Key Managerial Personnel:

In accordance with Section 203 of the Companies Act, 2013, the Company has Mr. Chirag Thakkar who is acting as Managing Director of the Company. Further, Mr. Baldev Patel and Ms. Rushika Parekh are acting as Chief Financial Officer and Company Secretary respectively.

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 Act.

- 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 director and Non-executive Director 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. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent director 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.

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.

A. Audit Committee:

The Company has formed audit committee in line with the provisions Section 177 of the Companies Act, 2013. Audit Committee meeting is generally held for the purpose of recommending the half yearly and yearly financial result. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee. During the year under review, Audit Committee met (Two) times viz on May 29, 2019 and November 13, 2019.

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Category	Designation	Number of meetings during the financial year 2019-20	
			Eligible to attend	Attended
Urshita Patel	Non-Executive Independent Director	Chairperson	2	2
Alkesh Patel	Non-Executive Director	Member	2	2
Shankar Bhagat	Non-Executive Independent Director	Member	2	2

The Statutory Auditors of the Company are invited in the meeting of the Committee wherever requires. Chief Financial Officer of the Company is a regular invitee at the Meeting.

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

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 www.amrapali.com.

B. Stakeholder's Grievance & Relationship Committee:

The Company has constituted Stakeholder's Grievance & Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. During the year under review, Stakeholder's Grievance & Relationship Committee met 4 (Four) times viz on May 29, 2019, July 24, 2019, November 13, 2019 and March 16, 2020.

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Category	Designation	Number of meetings during the financial year 2019-20	
			Eligible to attend	Attended
Urshita Patel	Non-Executive Independent Director	Chairperson	4	4
Chirag Thakkar	Managing Director	Member	4	4
Bhumi Patel	Non-Executive Director	Member	4	4

During the year, the Company had not received any complaints from the Shareholders. There was no complaint pending as on March 31, 2020.

C. Nomination and Remuneration Committee:

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. During the year under review, Nomination and Remuneration Committee met 2 (Two) times viz on August 30, 2019 and March 16, 2020.

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Category	Designation	Number of meetings during the financial year 2019-20	
			Eligible to attend	Attended
Urshita Patel	Non-Executive Independent Director	Chairperson	2	2
Shankar Bhagat	Non-Executive Independent Director	Member	2	2
Bhumi Patel	Non-Executive Director	Member	2	2

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, benefits, perquisites and allowances 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 www.amrapali.com and is annexed to this Report as **Annexure – A**.

Remuneration of Director:

The details of remuneration paid during the financial year 2019-2020 to Managing Director of the Company is provided in Form MGT-9 which is the part of this report, given as **Annexure - B** to this Report.

PUBLIC DEPOSIT

The company has not accepted any deposits from the public. Hence, the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act, 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS & SECURITY

Details of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed to this Report as **Annexure – B**.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is annexed to this Report as **Annexure – C** to this Report.

DISCLOSURE OF REMUNERATION:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules will be available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company and the same will be furnished on request.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as an **Annexure – D**, which forms part of this Report.

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.

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.

During the year under review, there were no incidences of sexual harassment reported.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy:

In its endeavor towards conservation of energy, the Company ensures optimal use of energy, avoid wastages and conserve energy as far as possible.

TECHNOLOGY ABSORPTION

The Company has not carried out any research and development activities.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings & Outgo during the year are as under:

Earnings - Nil

Outgo – Royalty Expenses – Nil

SECRETARIAL STANDARDS OF ICSI:

The Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

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.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an effective internal control system, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition.

The Internal Auditors of the Company carry out review of the internal control systems and procedures. The internal audit reports are reviewed by Audit Committee.

The Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

CORPORATE GOVERNANCE:

The Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance, although few of the information are provided in this report under relevant heading.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of Regulation 34, and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a review of the performance of the Company, for the year under review, Management Discussion and Analysis Report, is presented in a separate section forming part of this Annual Report.

STATUTORY AUDITOR AND THEIR REPORT:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. D G M S & CO, Chartered Accountant, Jamnagar (formerly known as M/s. Doshi Maru & Associates, Chartered Accountant, Jamnagar) (FRN: 0112187W), were appointed as Statutory Auditors of the Company to hold office till conclusion of the 27th Annual General Meeting (AGM) of the company to be held in the calendar year 2021.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual 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.

SECRETARIAL AUDITOR AND THEIR REPORT:

Pursuant to the provisions of Section 204 of the Act read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Ms. Payal Dhamecha, Practicing Company Secretary, Ahmedabad to conduct the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report is annexed herewith as **Annexure – E** to this Report.

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;

- (i) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;