



## AMRAPALI CAPITAL AND FINANCE SERVICES LIMITED

27<sup>th</sup> Annual Report 2020-21

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## Corporate Information

### Amrapali Capital and Finance Services Limited

**CIN: L65910GJ1994PLC118992**

#### BOARD OF DIRECTORS:

Name	Designation
Mr. Chirag Yashvantbhai Thakkar	Non-Executive Director
Mr. Alkesh Dashrathlal Patel	Managing Director
Ms. Bhumi Atit Patel	Non- Executive Independent Director
Mr. Shankar Bhagat (Resigned w.e.f March 16, 2021)	Non- Executive Independent Director
Ms. Urshita Mittalbhai 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
Unit No. PO5-02E, 5th Floor, Tower A WTC Gift City, Gandhinagar-382355 Tel No. +91-26-0263 3291 Email: <a href="mailto:grievances@amrapali.com">grievances@amrapali.com</a> ; Web: <a href="http://www.amrapali.com">www.amrapali.com</a>	19, 20, 21 3rd Floor, Narayan Chambers, Behind Patang Hotel, Ellisbridge, Ashram Road, Ahmedabad-380009 Tel No. +91-79- 2657 5105/06 Email: <a href="mailto:grievances@amrapali.com">grievances@amrapali.com</a> ; Web: <a href="http://www.amrapali.com">www.amrapali.com</a>

STATUTORY AUDITOR	SECRETARIAL AUDITOR
M/s D. G. M. S. & Co. Chartered Accountants 217/218, Manek Centre, P.N Marg, Jamnagar- 361001,(Gujarat) India	Payal Dhamecha & Associates Practicing Company Secretary S/1, 2nd Floor, Olway House, Nr. Navneet House, Gurukul Ahmedabad-380052.

REGISTRAR & SHARE TRANSFER AGENT	BANKERS TO THE COMPANY
<b>Satellite Corporate Services Private Limited</b> 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: <a href="mailto:service@satellitecorporate.com">service@satellitecorporate.com</a> ; Tel no.022 -28520461-62	Allahabad 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. ShankarBhagat**	Member	Ms. Bhumi Atit Patel	Member	Ms. Bhumi Atit Patel	Member
Ms. Bhumi Atit Patel*	Member	Mr. Alkesh Dashrathlal Patel*	Member	Mr. Alkesh Dashrathlal Patel*	Member

\*Added to Committee w.e.f March 16, 2021.

\*\*Member Up to March 16, 2021.

## 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, 2021.

### Financial Highlights:

(Rs. in Lakhs)

Particulars	F.Y. 2020-21	F.Y. 2019-20
Revenue From Operations	18704.94	7948.15
Other Income	541.83	676.04
<b>Total Income</b>	<b>19246.76</b>	<b>8624.19</b>
Less: Total Expenses before Depreciation, Finance Cost and Tax	19081.89	8143.77
<b>Profit before Depreciation, Finance Cost and Tax</b>	<b>164.87</b>	<b>480.42</b>
Less: Depreciation	43.20	48.05
Less: Finance Cost	243.02	364.01
<b>Profit Before Tax</b>	<b>(121.35)</b>	<b>68.36</b>
Less: Current Tax	-	11.28
Less: Deferred tax Liability (Asset)	(31.55)	1.74
<b>Profit after Tax</b>	<b>(89.80)</b>	<b>55.34</b>

### BUSINESS OVERVIEW:

#### Financial performance:

During the financial year 2020-21 the revenue from operation stood at Rs.18704.94 Lakhs as compared Rs. 7948.15Lakhs during the preceding financial year 2019-20. The revenue from operation is increase due to increased in bonds Sale in the current financial year 2020-21. The other income of the Company stood as Rs.541.83 Lakhs in the financial year 2020-21 as compared to Rs.676.04 Lakhs in financial year 2019-20.

Further, during the financial year 2020-21, the total expenses have increased from Rs.8143.77 lakhs to Rs.19081.89 lakhs. The Net Loss for the financial year stood at Rs. (89.80) Lakhs in comparison to that of Rs.55.34 Lakhs in previous year 2019-20 i.e. decrease in net profit by 262.27% 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 2020-21.

#### 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 Rs.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 Rs. 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 hip <sup>2</sup>	No. of Committee <sup>1</sup>		No. of Shares held as on March 31, 2021
				in which Director is Members	in which Director is Chairman	
Mr. Chirag Thakkar	Non-Executive Director	March 1, 2021*	1		-	1918900 Equity Shares
Mrs. Bhumi Patel	Non-Executive Independent Director	March 1, 2021*	3	4	-	-
Mr. Alkesh Patel	Chairman and Managing Director	March 1, 2021*	2	2	-	-
Ms. Urshita Patel	Independent Director	December 26, 2018	2	2	2	-

<sup>1</sup> Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies.

<sup>2</sup> Excluding Section 8 Company & struck of Companies

\* Appointment at Current Designation is subject to approval of shareholders at the ensuing Annual General Meeting.

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 15(Fifteen) times on June 25, 2020; July 04, 2020; July 25, 2020; August 27, 2020; September 16, 2020; October 28, 2020; November 10, 2020; December 02, 2020; December 11, 2020, December 12, 2020; January 05, 2021; February 18, 2021, March 01, 2021, March 16, 2021 and March 30, 2021.

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	-	15	14
Mrs. Bhumi Patel	March 18, 2016	-	15	15
Mr. Alkesh Patel	March 23, 2015	-	15	15
Mr. Shankar Bhagat	March 12, 2013	March 16, 2021	15	14
Ms. Urshita Patel	December 26, 2018	-	15	15

*Note:-*

*Circular Resolution was passed on June 23, 2020 with the assent of all the Directors obtained and the same was noted in the next Board Meeting held on June 25, 2020.*

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

#### **Passing of Special Resolution through Postal Ballot**

The Company has passed Special Resolutions for Shifting of Registered office of the Company from Union Territory of Dadra and Nagar Haveli to State of Gujarat through Postal Ballot on October 18, 2020. Further, no special resolution was passed during the year through postal ballot.

#### **Independent Directors:**

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has two 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. However Change in Designation of Ms. Bhumi Patel from Non Executive Director to Independent Director is subject to approval from Shareholders in the ensuing Annual General Meeting.

A separate meeting of Independent Directors was held on March 30, 2021 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 following change in constitution of the Board of Directors of the Company.

##### **a) Change in Board Composition**

Changes in Board Composition during the financial year 2020-21 and up to the date of this report is furnished below:

- i. In the Board Meeting held on March 01, 2021:-
  - On request of Mr. Chirag Thakkar (01993020) Managing Director of the company and pursuant to approval of Nomination and remuneration committee and subject to approval of the members of the Company in ensuing general meeting, the Board of directors approved Change in designation of Mr. Chirag Thakkar from Managing Director to Non-Executive Director of the Company, liable to retire by rotation.

- Mr. Alkesh Dashrathlal Patel (00189943) Non Executive Director of the company and pursuant of approval of Nomination and remuneration committee and subject to approval of the members of the Company in ensuing general meeting, the Board of directors approved Change in designation of Mr. Alkesh Dashrathlal Patel from Non Executive Director to Managing Director of the Company, for a period of Five(5) years up to February 28, 2026 and liable to retire by rotation on such terms and conditions set out.
- In the Board Meeting held on March 01, 2021 Mrs. Bhumi Atit Patel (07473437), Non Executive Director of the company and pursuant to approval of Nomination and remuneration committee and subject to approval of the members of the Company in ensuing general meeting, of the Board of directors approved Change in designation of Mrs. Bhumi Atit Patel from Non Executive Director to Non Executive Independent Director of the Company, for a period of Five(5) years upto February 28, 2026 and not liable to retire by rotation.

Approval of Members is being sought at the forthcoming Annual General Meeting ('AGM') of your Company for regularization of appointment of Ms. Bhumi Atit Patel as Non-Executive Independent Director for a period of 5 consecutive years from the forthcoming Annual General Meeting.

- ii. In the Board Meeting held on March 16, 2021:-
  - Mr. Chirag Thakkar has placed his resignation from the position of Non-Executive Director and Designated Director subject to approval of Stock Exchange, approval of Stock Exchange is still pending for his resignation.
  - Board of Directors Approved appointment of Mr. Haresh Chaudhari (DIN: - 06947915) as Additional Non-Executive Director and Designated Director of the Company subject to approval of Stock Exchange and such other regulatory authorities, if requires.
- iii. The board of directors their meeting held on Tuesday, March 30, 2021, has:-
  - Taken on record withdrawal of consent of Mr. Haresh Chaudhari (DIN: - 06947915) therefore Board of Directors decided not to proceed with application with stock exchange for appointment of Mr. Haresh Chaudhari as an Additional Non- Executive Director and Designated Director which was duly approved in the Board meeting held on March 16, 2021.
  - Consequently, on recommendation of Nomination and Remuneration Committee (NRC) approved appointment of Ms. Komal Hemal Parekh (DIN:-08339839) as an Additional Non-Executive Director and Designated Director subject to approval of Stock Exchange and such other regulatory authorities, if requires.

**b) Retirement by rotation and subsequent re-appointment.**

- i. Mr. Alkesh Dashrathlal Patel (DIN 00189943), Managing Director, is liable to retire by rotation at the ensuing Annual General Meeting, pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and being eligible have offered himself for re-appointment.

Appropriate business for his re-appointment is being placed for the approval of the shareholders of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the ensuing AGM of the Company.



**c) Cessation of Directorships**

- i. Mr. Shankar Prasad Bhagat (DIN: 01359807) placed before the Board his resignation Letter subject to approval of Stock Exchange on March 1, 2021. Company received Stock Exchange Approval dated March 15, 2021. The Board of Directors approved his resignation pursuant to Stock Exchange Approval w.e.f March 16, 2021. The Board placed on record its appreciation for the valuable contribution and services rendered by them during their tenure as Director of the Company.

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 27<sup>th</sup> Annual General meeting.

**After the end of FY 2020-21**

- i. The board of directors in their meeting held on June 24 2021, has:-
  - Taken on record withdrawal of consent of Ms. Komal Hemal Parekh (DIN:-08339839), therefore Board of Directors decided not to proceed with application with stock exchange for appointment of Ms. Komal Hemal Parekh (DIN:-08339839) as an Additional Non-Executive Director and Designated Director which was duly approved in the Board meeting held on March 30, 2021.
  - Approved Change in Designation of Mr. Alkesh Patel from Managing Director to Chairman and Managing Director of the Company w.e.f June 24, 2021 subject to approval of Shareholders in the ensuing Annual General Meeting.
  - Consequently, on recommendation of Nomination and Remuneration Committee (NRC) approved appointment of Mr. Baldev Manubhai Patel as an Additional Executive Director and Designated Director and subject to approval of Stock Exchange and such other regulatory authorities, if requires

*\*Approval for Appointment of Mr. Baldev Manubhai Patel is still pending with stock exchange.*

**Key Managerial Personnel:**

In accordance with Section 203 of the Companies Act, 2013, the Company has Mr. Alkesh Dashrathlal Patel 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.

**Change in Registered office**

During the Year, Registered Office of the Company was shifted from Shop No. 3, Ground Floor, Ashoka Complex, B/h. Woodland Hotel, Naroli Cross Road, Silvassa-396230, Dadra and Nagar Haveli to Unit No. PO5-02E, 5th Floor, Tower A WTC Gift City, Gandhinagar-382355, Gujarat with effect from December 11, 2020 from the closure of the business hours pursuant to approval of Shareholders, Regional Director and other necessary approvals.

**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:

- In preparation of annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed and that no material departures have been made from the same;
- 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;
- 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;
- The Directors had prepared the annual accounts for the year ended March 31, 2021 on going concern basis.
- 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
- 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 3(Three) times viz on July 25, 2020;; November 10 2020 and February 18 2021.

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 2020-21	
			Eligible to attend	Attended
Urshita Mittalbhair Patel	Non-Executive Independent Director	Chairperson	3	3
Alkesh Dashrathlal Patel	Non-Executive Director	Member	3	3
Shankar Bhagat (Resigned w.e.f March 16, 2021)	Non-Executive Independent Director	Member	3	3