



T-E-A-M-W-O-R-K

**37TH ANNUAL
REPORT
2020-21**

COMSYN

COMMERCIAL SYN BAGS LIMITED

“Weaving strength thread by thread for better world”

CHAIRMAN'S MESSAGE

Dear Shareholders,

A year ago, we witnessed an unprecedented economic and health crisis, and I gave you a rather ambivalent outlook on our business growth. Though, the first two months of the fiscal year were particularly difficult, things started picking up with the revival of economic activity. I am delighted to inform you that during the year gone by we have recorded the highest ever revenue and profitability in the history of our company's existence.

We exhibited some excellent numbers during this year, achieving Rs. 21389.10 Lakhs of Revenue from Operations, marking a 12% growth compared to Rs. 19097.23 Lakhs in FY 2020 (on standalone basis). In addition, our profit after tax increases by 2.2% from Rs. 1142.26 Lakhs to Rs. 1208.58 Lakhs in the current fiscal year (on standalone basis). The export sales continue to contribute more than 70% of total sales from manufacturing segment and Company's customer base is spread in all the continents except Antarctica.

Like every other organisation, our priority was to ensure the safety and well-being of our people. We set up an internal helpline to extend support to the affected team members and their families. We have organised free vaccination camp for all of our team members. We ensured that our people are duly vaccinated against the virus we extended support outside our organisation, to the communities as well. We provided food to the needy and also arranged to deliver PPE kits and masks to healthcare workers. We will continue to help wherever we can and stand with the world in the fight against this pandemic.

The Company has commenced the commercial operation of Unit – II on 28th September, 2020 with the installation of Multifilament Plant, Lamination Plants and Melt Blown Non-Woven Fabric Production Line. With this expansion the production capacity (all units) has been increased from 17000 MT to 20630 MT p.a. Further, the operation of Wholly Owned Subsidiary Comsyn India Private Limited had also commenced w.e.f. 19th March, 2021 with the capacity of 3100 MT p.a. making the aggregate annual capacity of 23730 MT. We are hopeful to announce the details of upcoming project on newly allotted land from MPIDC, Indore in this financial year.

Your directors are pleased to recommend a Final Dividend of 20% i.e. Rs. 2.00 per equity share of face value of Rs. 10 each for financial year 2020-2021, subject to approval of shareholders, involving an outflow of Rs. 2.36 Crores.

Your directors are pleased to inform that, the Board of directors at their meeting held on 4th Sept., 2021 has approved the matter related to Preferential issue of 15,00,000 Warrants of Rs. 130/- convertible into 15,00,000 equity shares of Rs. 10/- each issued at a premium of Rs. 120/- per share to the promoter and its group and to non-promoters selected investors which is subject to approval of members in the ensuing Annual General Meeting by way of Special Resolution and approvals as may be required from the BSE Ltd and other concerning authorities as may be applicable.

Your Company always focuses on operational efficiency and reduction in cost by adoption of renewable energy sources. As a measure of green initiative, your company has installed a solar power generation plant and roof top solar plant. During the year under review 18.61 Lakhs units of Electricity were generated through 1.0 MW (1.2 MW peak (p) Solar Power Generating System at Ujaas Solar Park, Sitamau (MP) and used as captive consumption at Company's manufacturing units at Pithampur and 2.06 Lakhs unit were generated from the installed roof top solar plant at Unit – II.

During the year under review your Company has achieved turnover of 39188.80 MT vis a vis 39270.25 MT in financial year 2019-2020 under trading operations as DCA cum CS of ONGC Petro additions Limited (OPaL), and strengthened its presence in domestic market.

Before I conclude, I take this opportunity to thank the Board for effectively steering the Company in these unprecedented times. I am grateful to the leadership team and our employees for their relentless efforts and contributions towards upholding business continuity and enabling growth. To our stakeholders including our partners, suppliers, customers, consumers, influencers, bankers, government authorities and to you, our shareholders, I express my gratitude for reposing your faith in us. Let us together make a difference and scale new heights of progress in the impending year.

*With best wishes,
Sincerely,*

Anil Choudhary
Chairman & Managing Director

CORPORATE INFORMATION

Board of Directors

Name	Designation
Shri Anil Choudhary	Chairman & Managing Director
Smt Ranjana Choudhary	Whole-time Director
Shri Virendra Singh Pamecha	Whole-time Director
Shri Hitesh Mehta	Independent Director
Shri Milind Mahajan	Independent Director
Shri Chintan Pushpraj Singhvi	Independent Director (Resigned w.e.f. 27th November, 2020)
Shri Vijay Kumar Bansal	Additional and Independent Director (Appointed w.e.f. 14th February, 2021)

Other Key Managerial Personnel

Shri Ravindra Choudhary	Chief Executive Officer
Shri Abhishek Jain	Chief Financial Officer
Shri Sandeep Patel	Company Secretary & Compliance Officer
Shri Pramal Choudhary	Chief Operating Officer

Committees of the Board

Audit Committee

Name	Status	Position in the Committee
Shri Hitesh Mehta	Independent Director	Chairman
Shri Milind Mahajan	Independent Director	Member
Shri Virendra Singh Pamecha	Whole-time Director	Member

Stakeholders' Relationship Committee

Name	Status	Position in the Committee
Shri Milind Mahajan	Independent Director	Chairman
Shri Hitesh Mehta	Independent Director	Member
Shri Anil Choudhary	Chairman and Managing Director	Member

Nomination and Remuneration Committee

Name	Status	Position in the Committee
Shri Hitesh Mehta	Independent Director	Chairman
Shri Milind Mahajan	Independent Director	Member
Shri Vijay Kumar Bansal	Additional and Independent Director	Member (w.e.f. 14th February, 2021)
Shri Chintan Pushpraj Singhvi	Independent Director	Member (Upto 27th November, 2020)

Corporate Social Responsibility Committee

Name	Status	Position in the Committee
Shri Anil Choudhary	Chairman and Managing Director	Chairman
Smt Ranjana Choudhary	Whole-time Director	Member
Shri Hitesh Mehta	Independent Director	Member

Statutory Auditor:

M/s Avinash Agrawal & Co., Chartered Accountants
33, Ravi Nagar, Shrinagar Ext., Indore (M.P.) - 452018

Secretarial Auditor:

M/s Ishan Jain & Co., Company Secretaries
401- 402 Silver Ark Plaza, Janjirwala Square, Indore (M.P.) - 452001

Internal Auditor:

M/s Dilip Rathor & Co., Chartered Accountants
Dhamnod (M.P.) - 454552

Name of Stock Exchange, Script Code & ISIN No.:

BSE Limited: Scrip Code: 539986 ISIN:INE073V01015

Bankers:

State Bank of India
Bank of Baroda
HDFC Bank Limited
Kotak Mahindra Bank Ltd.
Axis Bank Ltd.
Yes Bank Ltd.

Registered Office:

Commercial House, 3-4, Jaora Compound
M.Y.H. Road, Indore (M.P.) - 452001
CIN: L25202MP1984PLC002669
Email: investors@comsyn.com Tel : +91 731- 4279525/26,
Website: www.comsyn.com

Share Transfer Agent:

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai (M.H.) - 400059
Tel : + 91-22-6263 8200
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

Works :

Unit I: Plot No.S-4/1, S-4/2, S-4/3, S-4/3A Sector 1, Pithampur (M.P.)
Unit II: Plot No. S-2/1, S-3/1, S-3/2, Sector-1, Pithampur (M.P.)
Unit III: Plot No. 309, Sector-1, Pithampur (M.P.)
Unit SEZ: Indore Special Economic Zone, Plot No. 15 to 18, Phase-I, Sector-III, Pithampur (M.P.)
Solar Power Division: PH No. 36, Village Galihara, Tehsil, Sitamau, District Mandsaur (M.P.)
Trading Division Warehouse: 61/2, Sector F, Sanwer Road, Indore (M.P.)

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NOTICE

Notice is hereby given that 37th Annual General Meeting of the members of **COMMERCIAL SYN BAGS LIMITED** will be held on **Thursday the 30th day of September, 2021** at 2:00 P.M. through Video Conferencing (VC)/Other Audio Visual Means (OAVM) at registered office of the company situated at Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore (M.P.) 452001 shall be deemed as the venue for the Meeting and the proceedings of the AGM to be made thereat, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as at 31st March 2021, the statement of Profit & Loss, Cash Flow, Changes in Equity and notes thereto of the company for the financial year ended 31st March 2021 and the Report of the Board's and Auditors thereon as on that date.
2. To declare dividend on the 1,18,17,400 equity shares of Rs. 10/- each of the Company for the financial year ended 31st March, 2021.
3. To appoint a director in place of **Shri Virendra Singh Pamecha (DIN:07456367)** who liable to retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To confirm and approve the appointment of **Shri Vijay Kumar Bansal (DIN No: 09002441)** as an Independent Director for a First Term of 5 (five) consecutive years w.e.f. 14th February, 2021:

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2015 read with Schedule IV of the Companies Act, 2013 and the provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Vijay Kumar Bansal (DIN No: 09002441), who was appointed by the Board as an Additional Director under the category of Independent Director w.e.f. 14th February, 2021, in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company and a declaration has been received from him confirming that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) Consecutive Years w.e.f. 14th February, 2021 till 13th February, 2026 and his office shall not be liable to retire by rotation.

5. **To confirm and approve the re-appointment of Smt Ranjana Choudhary (DIN: 03349699), as the Whole-time Director for 5 (five) years w.e.f. 1st June, 2022:**

To consider and if thought fit, to convey assent or dissent to the following Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and upon the recommendation of the Nomination and Remuneration committee and further approval of Board of Directors, consent of the Members be and is hereby accorded for re-appointment of Smt. Ranjana Choudhary as the Whole-time Director of the Company for a further period of 5 years with effect from 1st June, 2022 on the remuneration not exceeding Rs. 3,00,000/- (Rupees Three Lakhs only) per month.

RESOLVED FURTHER THAT in addition of aforesaid remuneration, Smt. Ranjana Choudhary, Whole-time Director shall also be entitled for the following benefits and shall not be considered for the purpose of calculation of the maximum

permissible remuneration as it covers under the exempted category.

1. **Employers Contribution to PF:** As per the Rules of the Company.
2. **Gratuity:** As per the rules of the Company, subject to the maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. **Earned Privilege Leave:** As per the rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days' salary for every year of completed services at the end of the tenure.
4. Personal Accident Insurance Premium not exceeding Rs. 50,000 per annum.

FACILITIES TO PERFORM THE COMPANIES WORK:

1. **Car:** The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance/car expenses shall be made as per actual on the basis of claims submitted by her.
2. Telephone, Internet & Cell: Free use of telephone, internet at her residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Whole-time Director.

RESOLVED FURTHER THAT in the event of there being any loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Smt. Ranjana Choudhary shall be minimum remuneration payable by the Company.

RESOLVED FURTHER THAT there shall be clear relation of the Company with Smt. Ranjana Choudhary as "the Employer-Employee" and each party may terminate the above said appointment with six months' notice in writing or salary in lieu thereof.

RESOLVED FURTHER THAT Smt. Ranjana Choudhary, Whole-time Director shall also be entitled to reimbursement of actual entertainment, travelling time to time to perform her duties as per rules of the Company.

RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of her remuneration within the permissible limits in its absolute discretion as may be considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company without any requirement to seek further approval of the members of the Company."

6. **To approve the re-appointment of Shri Milind Mahajan (DIN: 00155762), as the Independent Director for the second term of 5 (five) consecutive years w.e.f. 10th May, 2022:**

To consider and if thought fit, to convey assent or dissent to the following Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Shri Milind Mahajan (DIN: 00155762)**, who was appointed as an Independent Director for a 1st term of 5 years which is ending on 9th May, 2022 and being eligible, and has submitted a declaration for confirming his independence and upon recommendation of the Nomination and Remuneration Committee and the Board, **Shri Milind Mahajan (DIN: 00155762)**, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years, w.e.f. 10th May, 2022 to 9th May, 2027 and he shall not be liable to retire by rotation."

7. **To approve the increase in the limits u/s 186 of the companies Act, 2013 for authority to the Board for making investments/extending loans and for giving guarantees or providing securities in connection with loans to Persons/Bodies Corporate:**

To consider and if thought fit, to convey assent or dissent to the following Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 185, 186 and 188 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 100.00 Crores (Rupees One Hundred Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution

8. To approve the increase in the remuneration payable to Shri Ravindra Choudhary, Chief Executive Officer pursuant to section 188(1)(f) of the Companies Act, 2013

To consider and if thought fit, to convey assent or dissent to the following **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (Act), Regulation 23 of the SEBI (LODR) Regulation, 2015 and regulations as may be framed by the SEBI from time to time including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and upon the recommendation of the Nomination and Remuneration Committee and Audit Committee, the consent of the members be and is hereby accorded to increase the remuneration payable to Shri Ravindra Choudhary, Chief Executive Officer and categorized as the Key Managerial Personnel of the Company who is also relative of the directors of the Company upto Rs. 6,00,000/-per month w.e.f., 1st October, 2021 upon such break thereof as may be decided by the Nomination and Remuneration Committee of the Board from time to time.”

9. To approve the increase in the remuneration payable to Shri Pramal Choudhary, Chief Operating Officer pursuant to section 188(1)(f) of the Companies Act, 2013:

To consider and if thought fit, to convey assent or dissent to the following **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (Act), Regulation 23 of the SEBI (LODR) Regulation, 2015 and regulations as may be framed by the SEBI from time to time including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and upon the recommendation of the Nomination and Remuneration Committee and Audit Committee, the consent of the members be and is hereby accorded to increase in the remuneration payable to Shri Pramal Choudhary, Chief Operating Officer and categorized as the Key Managerial Personnel of the Company who is also relative of the directors of the Company upto Rs. 6,00,000/-per month w.e.f., 1st October, 2021 upon such break thereof as may be decided by the Nomination and Remuneration Committee of the Board from time to time.”

10. To approve the increase in Authorised Share Capital of the Company

To consider and if thought fit, to convey assent or dissent to the following **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 13, 64 and other applicable provisions, if any, of Companies Act, 2013 and the rules notified there under (including any statutory modification(s), amendments or reenactment(s) thereof for the time being in force) and further subject to any other laws and regulations, as may be applicable and the enabling provisions of Articles of Associations of the Company the approval of members of the Company be and is hereby accorded to increase the Authorized Share Capital of the company from Rs.13,00,00,000(Rupees Thirteen Crore Only) divided into 1,30,00,000 (One Crore Thirty Lakhs Only) Equity Shares of 10/- each(Rupees Ten only) to Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crores Fifty Lakhs) Equity Shares of Rs10/- each (Rupees Ten only)”

11. To approve the alteration of the Clause V of Memorandum of Association of the Company.

To consider and if thought fit, to convey assent or dissent to the following **Special Resolution**:

RESOLVED THAT pursuant to Section 13, 61 and 64 and other applicable provisions, if any, of Companies Act, 2013 and the rules notified thereunder (including any statutory modification(s), amendments or reenactment(s) thereof for the time being in force) and further subject to any other laws and regulations, as may be applicable and the enabling provisions of Articles of Associations of the Company the approval of members of the Company be and is hereby accorded to alter the Clause V of the Memorandum of Association of the Company by way of substitution with the following new Clause V:

“V. The Authorized capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each with the power to increase and reduce the Capital of the Company and to alter, convert, re-classify, into several classes of stock or shares and to divide or sub-divide and consolidate the same with the power to attach thereto respectively such preferential, deferred, or special rights, privileges or conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company from time to time.”

12. To consider and approve the issuance of warrants convertible into equity shares on preferential basis to promoter, promoter group of the company and other specified persons.

To consider and if thought fit, to convey assent or dissent to the following **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(c) read with Section 42 of the Companies Act, 2013, Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, [SEBI (ICDR) Regulations] the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, [SEBI (LODR) Regulations], the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 [SEBI (SAST) Regulations] and enabling provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the BSE Limited, where the shares of the Company are listed and subject to any approval, consent, permission and/or sanction of the other appropriate authorities, if any (hereinafter collectively referred to as “the appropriate authorities”), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as “the requisite approvals”), which may be agreed by the Board of Directors of the Company (hereinafter called ‘the Board’) which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution, the approval of members of the Company by way of Special Resolution, be and is hereby granted to create, offer, issue and allot upto **15,00,000 (Fifteen Lakhs)** Warrants of Rs. 130/- (Rs. One Hundred Thirty only) aggregating upto Rs. 1950.00 Lakhs (Rupees Nineteen Crores Fifty Lakhs Only) convertible into one Equity Share of Rs. 10/- (Rupees Ten Only) of the Company at a premium of Rs. 120/-(Rupees One Hundred Twenty Only) per share for every warrant which is more than the minimum price of Rs. 129.93 (Rs. One Hundred Twenty Nine and Paise Ninety Three only) as certified by the Auditors of the Company with

respect to the **Relevant Date i.e. 31st August, 2021** as prescribed under the SEBI (ICDR) Regulations, 2018 for Preferential Issues of Shares/ Securities as contained in Chapter V of the SEBI (ICDR) Regulations, 2018 in one or more tranches, by way of preferential issue to the following persons forming part of Promoter and Promoter group and other specified persons/Non Promoters, who are eligible to participate in the preferential issue.

Sr. No.	Name of Proposed Allottee subscribers	Category of the proposed allottees Subscribers	No of Warrants of Rs. 130/- per warrant proposed to be issued	No of equity shares of Rs. 10/- each to be allotted upon exercise of option for conversion of the warrants at a premium of Rs. 120/-per share
1.	Shri Mohan Lal Choudhary	Promoter	1,00,000	1,00,000
2.	Shri Anil Choudhary	Promoter	1,00,000	1,00,000
3.	Shri Ravindra Choudhary	Promoter	1,92,500	1,92,500
4.	Shri Pramal Choudhary	Promoter	1,92,500	1,92,500
5.	Praavanya Ventures LLP	Non Promoters	4,57,500	4,57,500
6.	Shri Vijay Vinodchandra Shah	Non Promoters	75,000	75,000
7.	Smt. Bindiya Vijay Shah	Non Promoters	82,500	82,500
8.	Shri Prajal Bhandari	Non Promoters	1,50,000	1,50,000
9.	Smt Hetal Ashish Mehta	Non Promoters	1,50,000	1,50,000
	TOTAL		15,00,000	15,00,000

RESOLVED FURTHER THAT the aforesaid Warrants shall be issued on the following terms and conditions:

- The warrants shall be issued on preferential basis to the aforesaid proposed allottees at a price of Rs. 130/- (Rupees One Hundred Thirty only) per warrant;
- The warrants shall be issued in the D-mat Form only;
- Upfront amount of Rs.32.50 (Rs. Thirty Two and Paise Fifty only) per warrant (being not less than 25% of the price of warrant) shall be payable along with the application and remaining amount of Rs. 97.50 (Rupees Ninety Seven and Paise Fifty only) per warrant shall be payable before exercising the option for conversion of warrants into equity share within a period of 18 (Eighteen) months from the date of allotment of warrants in one or more than one tranches in accordance with the provisions of Regulation 162 of SEBI (ICDR) Regulations, 2018;
- If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period of 18 (Eighteen) months, the entitlement of the Warrant holders to apply for equity shares of the Company along with the rights attached thereto, shall expire and the amount paid as Upfront amount on the application shall be liable for forfeiture as per provisions of the SEBI (ICDR) Regulations, 2018.
- The Warrant holder shall be entitled to exercise any or all of the warrants in one or more tranches by way of a written notice to the Company, specifying the number of warrants proposed to be exercised along with the aggregate amount due thereon, without any further approval from the shareholders prior to or at the time of conversion. The Board of Directors or Committee thereof shall accordingly, issue and allot the corresponding number of shares to the Warrant holder subject to compliance of the SEBI (SAST) Regulations, 2011 as may be applicable from time to time;
- The Warrants shall not be listed and tradable at the stock exchange and shall be under lock in period;
- The Equity shares so allotted upon conversion of warrants shall be listed at the BSE Ltd. where the existing shares of the Company are listed;
- The Equity share so allotted upon conversion shall be under lock in for a period of 3(three) years for promoters and 1 (one) year for other shareholders (Non-Promoter) from the date of trading permission granted by the BSE Ltd.;

- (i) The existing shares held by the proposed allottees shall be under freeze/lock in period for a period not less than 6 (six) months from the date of issuance of warrants and such shares shall be further frozen for a further period of not less than 6 (six) months from the date of trading permission granted for the shares issued upon conversion of warrants;
- (j) The Warrants by itself until exercised and equity shares so allotted, does not give to the Warrant holder thereof any rights with respect to that of a shareholder of the Company;
- (k) Upon exercise by the holder of the Warrants, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Warrant holder, evidence of the credit of the Equity Shares to the depository account of the Warrant holder and entering the name of Warrant holder in the records of the Company (including in the Register of Members of the Company) as the registered owner of such Equity Shares.
- (l) Other terms and conditions if any as prescribed and applicable relating to the SEBI (ICDR) Regulations, SEBI (LODR) Regulations and SEBI (SAST) Regulations.

RESOLVED FURTHER THAT for the purpose of issuance of the warrants convertible into equity shares the relevant date is determined and fixed by the Board as **31st August, 2021** i.e. thirty days prior to the Annual General Meeting proposed to be held on **30th September, 2021**

RESOLVED FURTHER THAT the equity shares allotted on exercise of warrants in terms of this Resolution shall rank pari passu in all respects (including as to entitlement to participate in voting powers, dividend, bonus shares and right entitlement, if any) with the existing fully paid-up equity shares of face value of Rs. 10/- each of the Company, subject to the relevant provisions contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of directors including a Committee thereof duly constituted by the Board (with power to delegate to any Officer of the Company), be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities, filing of corporate action for addition of new warrants and equity shares for change in the capital structure with the Central Depository Services (India) Ltd. and/or National Security Depository Limited and listing thereof with the stock exchange as may be required and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of the aforesaid Securities, execution of documents related to utilization of the issue proceeds, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board or Committee in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

Date: 04th September, 2021

Place: Indore

Commercial Syn Bags Limited

CIN: L25202MP1984PLC002669

Registered Office: Commercial House,

3-4, Jaora Compound

M.Y.H. Road Indore (M.P.) - 452001

By Orders of the Board of Director

Sandeep Patel

Company Secretary

ACS 54908