



KAMALGIRI FASHION LIMITED

**ANNUAL REPORT
2018-2019**



 **RISQUE**





KAMADGIRI FASHION LIMITED

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KAMADGIRI FASHION LIMITED

CORPORATE INFORMATION

Board of Directors

Mr. Pradip Kumar Goenka

Chairman & Managing Director (DIN: 00516381)

Mr. Anil Biyani

Non-Executive Director (DIN: 00005834)

Mr. Rahul Mehta

Independent Director (DIN: 00165521)

Mr. Sanjeev Maheshwari

Independent Director (DIN: 02431173)

Ms. Bindu Shah

Independent Director (DIN: 07131459)

Mr. Tilak Goenka

Executive Director (DIN: 00516464)

Chief Executive Officer

Mr. Abhay Kumart

Chief Financial Officer

Mr. Jagdish Prasad Dave

Company Secretary

Mr. Gaurav K. Soni

Statutory Auditors

M/s. Haribhakti & Co. LLP,
Chartered Accountants, Mumbai

Bankers

State Bank of India

Bank of Baroda

Registered Office

B-104, 'The Qube',
off. M.V. Road Marol,
Andheri (E), Mumbai - 400059.

Tel: (+91 22) 71613131

Fax: (+91 22) 71613199

Website : www.kflindia.com

Email: cs@kflindia.com

CIN

L17120MH1987PLC042424

Factory/Plant

43/2 & 42/1, Ganga Devi Road,
Umbergaon - 396171
Dist. Valsad (Gujarat).

C-4/2/2, MIDC, Tarapur - 401506
Dist. Thane (Maharashtra).

J-72/1, MIDC, Tarapur - 401 506
Dist. Thane (Maharashtra).

Registrar & Share Transfer Agent

Sharex Dynamic (India) Private Limited
C-101, 247 Park, L.B.S Marg,
Vikhroli (West), Mumbai – 400083.

Tel No.: (+91 22) 28515606/28515644

Fax No.: (+91 22) 28512885

Email: support@sharexindia.com

BOARD'S REPORT

Dear Stakeholders,

Your Directors are pleased to present the Thirty-Second Annual Report on the business and operation of the Company together with the Audited Financial Statements for the financial year ended on March 31, 2019.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---------------|-----------------|
| Income from Operations | 31,861.26 | 33,152.52 |
| Other Income | 87.41 | 148.39 |
| Profit before tax | 737.03 | 1,062.03 |
| Less: Provision for current tax | 331.00 | 417 |
| Less: Tax adjustment of earlier years | 19.29 | 0 |
| Less: Net deferred tax liability | (84.44) | (6.28) |
| Profit after tax | 471.18 | 651.31 |
| Other Comprehensive Income | 2.30 | 7.74 |
| Earning per share of ₹ 10/- each | | |
| Basic (in ₹) | 8.03 | 11.10 |
| Diluted (in ₹) | 8.03 | 11.10 |

COMPANY'S PERFORMANCE

During the year under review, the Company has achieved a turnover of ₹ 31,861.26 Lakhs as compared to ₹ 33,152.52 Lakhs in the previous year. Despite varying consumer demand, the Company was able to maintain the topline at near to previous year's level. The Profit after tax for the financial year 2018-19 was ₹ 471.18 Lakhs as compared to ₹ 651.31 Lakhs during the previous year.

FUTURE PLANS

The Company is in process of setting up a Readymade garments manufacturing unit at a premises located in Sanjan, Gujarat considering the steadily growing customer's requirement and various incentives available to apparel industry from Government of Gujarat. The unit is being set up in a leased premise having an area of (approx) 62,279 sq. ft. and it is proposed to have a capacity of making 2 (two) million units of garments per annum.

The Company's newly introduced brand "Risque", a Men's Casual Shirt Brand mainly targeted for online market and distribution network has initial encouraging response and the Company proposes to work on enhancing distribution network gradually. The Company has also ventured into a new category business that has designing and manufacturing of Women's Wear and initial response from customer brands is encouraging and the Company plans to build this business gradually.

The Finished Fabrics division which supplies fabrics to branded apparel manufacturers is expected to add more customers and improve its performance.

DIVIDEND

The Directors are pleased to recommend a dividend of ₹ 2/- (i.e. 20%) per equity share on the equity capital of the Company for the year under review. The said dividend shall be subject to the approval of the Members at the ensuing Annual General Meeting ('AGM').

PUBLIC DEPOSIT

The Company has not accepted any deposit from public during the year under review.

TRANSFER TO GENERAL RESERVE

During the year under review, the Board of Directors ('the Board') has decided not to transfer any amount to General Reserve.

CORPORATE GOVERNANCE REPORT

As per Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a separate report on Corporate Governance is enclosed as a part of this Annual Report. A Certificate from Auditors of your Company regarding compliance of conditions of Corporate Governance as stipulated in Regulation 17(7) read with Part A of Schedule II of the Listing Regulations is also enclosed along with the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis as required under Regulation 34 read with Schedule V of the Listing Regulations forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 ('the Act'), with respect to Directors' Responsibility Statement it is hereby confirmed that:

- in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- ii. the Directors have 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 as at March 31, 2019 and of the profit 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 the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts for the financial year ended March 31, 2019, on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- 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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Lalit Goenka ceased to be a Director of the Company w.e.f. May 26, 2018 and Mr. Gaurav K. Soni was appointed as Company Secretary (Key Managerial Personnel) w.e.f. May 26, 2018. Mr. Tilak Goenka was appointed as an Executive Director w.e.f. August 14, 2018.

The Independent Directors of the Company viz., Mr. Rahul Mehta and Mr. Sanjeev Maheshwari, were appointed at the AGM of the Company held on September 26, 2014 to hold office for a term of 5 (five) consecutive years up to September 25, 2019, in line with the provisions of Section 149 and other applicable provisions of the Act, including the rules made thereunder and the erstwhile Listing Agreement. Based on the recommendation of the Nomination and Remuneration Committee and performance evaluation carried out by the Board it is proposed that these Independent Directors be re-appointed for a second term of 5 (five) consecutive years to hold office up to September 25, 2024, subject to the approval of the Members of the Company at the ensuing AGM.

In terms of Regulation 17(6)(e) of the Listing regulations approval of shareholders is also being sought for approval of remuneration exceeding 5% of net profit being paid to Mr. Pradip Kumar Goenka and Mr. Tilak Goenka, Executive Directors of the Company.

In terms of Section 152 of the Act, Mr. Anil Biyani retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

The Company has received declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

Additional information on appointment/re-appointment of Directors as required under Regulation 36(3) of the Listing Regulations is given in the Notice convening the ensuing AGM.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act, has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

NUMBER OF BOARD MEETINGS

The Board of Directors met 6 (Six) times during the year under review. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Annual Report.

PERFORMANCE EVALUATION OF BOARD

Pursuant to the provisions of the Act and Regulation 17(10) and Regulation 25(4) of the Listing Regulations, the Board has carried out an annual evaluation of performance of its own, the Committees thereof and the Directors individually. At the meeting of the Board all the relevant factors that are material for evaluating the performance of the Committees and of the Board were discussed in detail.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board except the Independent Director being evaluated.

The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

COMMITTEES OF THE BOARD

Audit Committee

During the year under review, the Audit Committee of the Company comprised of 3 (three) Independent Directors viz., Mr. Sanjeev Maheshwari, Mr. Rahul Mehta and Ms. Bindu Shah. Mr. Sanjeev Maheshwari is the Chairman of the Audit Committee. There are no instances where the Board did not accept the recommendations of the Audit Committee. The terms of reference, powers and roles of the Committee are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

Other Committees

Details of other Committees of the Board along with their terms of reference, composition and meeting(s) held during the year are provided in the Corporate Governance Report which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY ('CSR') STATEMENT

During the year under review, the Company has constituted CSR Committee and approved the CSR policy. The details of terms of reference, composition and meeting held during the year are provided in the Corporate Governance Report which forms part of this Annual Report. The Company could not spend CSR amount and same will be spent in the financial year 2019-20.

The report on CSR activities in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out at **Annexure A**.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Haribhakti & Co. LLP, Chartered Accountants, Mumbai were appointed as statutory auditors of your Company at the Twenty Seventh AGM held on September 26, 2014 for a term of 5 (five) consecutive years. As per the provisions of Section 139 of the Act, the firm of Statutory Auditors can be re-appointed for a further period of 1 (one) year.

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

A resolution proposing re-appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants, Mumbai as the Statutory Auditors of the Company pursuant to Section 139 of the Act forms part of the Notice of AGM.

Subject to the approval of the Members, the Board on the recommendation of the Audit Committee, proposes to re-appoint M/s. Haribhakti & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No. 103523W) as Statutory Auditors of the Company to hold office from the conclusion of 32nd AGM until the conclusion of 33rd AGM of the Company. The Company has received the consent of M/s. Haribhakti & Co. LLP, Chartered Accountants, Mumbai along with certificate under Section 139 of the Act to the effect that their re-appointment, if made, shall be in accordance with the prescribed conditions and that they are not disqualified to act as the Auditor of the Company.

Secretarial Auditor

The Company has appointed M/s. HS Associates, Company Secretaries to conduct Secretarial Audit of the Company for the financial year 2018-19 in terms of provisions of Section 204 of the Act. The Secretarial Audit Report for the year ended March 31, 2019 is annexed to this report as **Annexure B**. There is no observation or comment which requires your attention.

Cost Auditor

As per the requirement of Central Government pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out Cost Audit of cost records relating to Textile products every year.

The Board, on the recommendation of Audit Committee, has appointed Ms. Ketki D. Visariya, Cost Accountant, as Cost Auditor to audit the accounts of the Company for the financial year 2019-20 at a remuneration of ₹ 0.90 Lakh plus applicable taxes and reimbursement of out of pocket expenses. As required under the Act, a resolution seeking ratification of members' for the payment of remuneration to Cost Auditor forms part of the Notice convening the AGM.

The Cost Audit report for the financial year 2017-18 was filed with the Ministry of Corporate Affairs.

POLICIES & DISCLOSURE REQUIREMENTS

Details of programme for familiarisation of Independent Directors with the Company is available on the website of the Company at the following link <https://www.kflindia.com/policies-and-codes/>.

Policy on dealing with related party transactions is available on the website of the Company at the following link <https://www.kflindia.com/policies-and-codes/>.

Policy for archival of documents of the Company is available on the website of the Company at the following link <https://www.kflindia.com/policies-and-codes/>.

Policy for determining Materiality of Events of the Company is available on the website of the Company at the following link <https://www.kflindia.com/policies-and-codes/>.

The code of conduct for Directors and senior management of the Company is available on website of the Company at the following link <https://www.kflindia.com/policies-and-codes/>.

The Company has formulated and disseminated a Whistle Blower Policy to provide vigil mechanism for employees and Directors of the Company to report genuine concerns that could have serious impact on the operations and performance of the business of the Company. This Policy is in compliance with the provisions of Section 177(9) of the Act and Regulation 4(2)(d)(iv) of the Listing Regulations. Policy on Whistle Blower is available on website of the Company at the following link <https://www.kflindia.com/policies-and-codes/>.

There are no material changes affecting the financial position of the Company, subsequent to the end of the financial year 2018-19 till the date of this report.

SECRETARIAL STANDARDS

During the year under review, the Company has complied with Secretarial Standards on meetings of the Board ("SS-1") and on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India in terms of Section 118(10) of the Act.

EXTRACT OF ANNUAL RETURN

In terms of provisions of Section 92(3) of the Act, an extract of Annual Return in prescribed format is annexed to this Report as **Annexure C**. The copy of the draft Annual Return is also available on the Company's website at <https://www.kflindia.com/annual-return/>.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all transactions entered by the Company with related parties as defined under the Act and Regulation 23 of the Listing Regulations, were in the ordinary course of business and on an arm's length basis. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company.

Disclosure of transactions with related parties as required under the Indian Accounting Standard (IND AS-24) has been made in the notes forming part of the financial statements. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

PARTICULARS OF LOANS GRANTED, GUARANTEE PROVIDED AND INVESTMENTS MADE PURSUANT TO THE PROVISIONS OF SECTION 186 OF THE ACT

The Company has not granted any loans, not provided any Guarantee and not made any Investments which are covered under the provision of Section 186 of the Act.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO AND EXPORT INITIATIVE

Information pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of Companies (Accounts) Rules, 2014 is given as **Annexure D**. The Company being focusing in Indian market, it has not taken any export initiative.

PARTICULARS OF REMUNERATION TO MANAGERIAL PERSONNEL

Disclosure 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 framed there under, the names and other particulars of employees are provided under **Annexure E** is annexed to this Report.

A statement containing the particulars as required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this Annual Report.

In accordance with the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of ensuing AGM.

The aforesaid information would be made available to any Member interested in obtaining the same upon a request made to the Company.

RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of the business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

TRANSFER OF UNCLAIMED/UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("**IEPF Rules**"), dividend, if not claimed for a consecutive period of 7 (Seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF.

The following table provides the due dates for the transfer of outstanding unpaid/unclaimed dividend by the Company as on March 31, 2019:

| Particulars | Date of declaration | Last date for claiming due amount |
|-------------------|---------------------|-----------------------------------|
| 2011-2012 (Final) | 18/09/2012 | 24/10/2019 |
| 2012-2013 (Final) | 24/09/2013 | 30/10/2020 |
| 2013-2014 (Final) | 26/09/2014 | 01/11/2021 |
| 2014-2015 (Final) | 25/09/2015 | 31/10/2022 |
| 2015-2016 (Final) | 19/09/2016 | 25/10/2023 |
| 2016-2017 (Final) | 19/09/2017 | 25/10/2024 |
| 2017-2018 (Final) | 25/09/2018 | 31/10/2025 |

EQUITY SHARES IN THE SUSPENSE ACCOUNT

During the year under review, and in accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the Listing Regulations, there were no shares transferred to suspense account.

ACKNOWLEDGEMENT

The Board wishes to place on record their sincere appreciation to all the bankers, customers, employees at all levels and stakeholders for the continued support and patronage during the year under review.

For and on behalf of the Board

Mumbai
May 28, 2019

Pradip Kumar Goenka
Chairman & Managing Director

ANNEXURE A

Report on Corporate Social Responsibility ('CSR') Activities

| | | |
|----|--|--|
| 1. | A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs | The CSR Policy of the Company inter-alia includes CSR activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013 ("the Act"), read with applicable rules thereto. CSR Policy of the Company is available on the website of the Company at the following link https://www.kflindia.com/policies-and-codes/ |
| 2. | The Composition of the CSR Committee | Mr. Pradip Kumar Goenka – Chairman Mr. Rahul Mehta – Member Mr. Anil Biyani – Member |
| 3. | Average net profit of the Company for last three financial years | ₹ 617.21 Lakhs |
| 4. | Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) | ₹ 12.34 Lakhs |
| 5. | Details of CSR spent during the financial year 2018 -19: | |
| | a. Total amount to be spent for the financial year 2018-19 | ₹12.34 Lakhs |
| | b. Amount unspent, if any | ₹ 12.34 Lakhs |

6. In case the Company has failed to spend 2% of the average net profit of the last 3 (three) financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report

CSR provisions became applicable to the Company during the year 2018-19. Being first year of applicability of CSR provisions, Board of Directors of the Company constituted a CSR Committee. The CSR Committee adopted a CSR policy. The CSR Committee is in the process of identifying projects to spend the unutilised CSR amount and the same will be spent in the financial year 2019-20.

7. Responsibility statement of the CSR Committee

We hereby declare that implementation of CSR Policy, is in compliance with CSR objectives & Policy of the Company.

Mumbai
May 28, 2019

Pradip Kumar Goenka
Chairman & Managing Director
Chairman of CSR Committee

ANNEXURE B

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR FINANCIAL YEAR ENDED ON MARCH 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015]

To,
The Members,
KAMADGIRI FASHION LIMITED.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KAMADGIRI FASHION LIMITED** (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, Forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, to the extent applicable provisions of:

- I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - e. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.
- VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company being in Textile Sector as given below:
 - (I) The Environment (Protection) Act, 1986 and Rules made there under;
 - (II) Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards;
 - (III) Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the Sate Pollution Control Boards.

We have also examined compliances with the applicable clauses of the following:

- i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Company in general has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards otherwise as mentioned elsewhere in this report.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.