

ANNUAL REPORT
2019-20



Madhusudan
Industries Limited

Board of Directors

Shri Rajesh B. Shah
Shri P. K. Shashidharan
Shri P. C. Surana
Smt. Rutva Acharya
Shri Sanwarmal Agarwal (upto 11.08.2020)
Shri Rajesh P. Shah (w.e.f. 11.08.2020)

Auditors

Shailesh Shah & Associates
Chartered Accountants,
2, Nilima Park, Next to Rasranjan, Near Vijay Cross Road,
University Road, Ahmedabad - 380 009.

Registered Office

Survey No. 359/B, 359/C, 361 and 362,
Rakhial - 382 315, Taluka - Dehgam,
Dist. Gandhinagar, Gujarat.
Phone : (02716) 267270
E-mail : madhusudan_i@yahoo.in
Website : www.madhusudan-india.com
CIN : L29199GJ1945PLC000443

Ahmedabad Office

"Madhusudan House", Opp. Navrangpura Telephone Exchange, Ahmedabad - 380 006.

Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited,
201, Shatdal Complex, 2nd Floor,
Opp. Bata Show Room, Ashram Road,
Ahmedabad - 380 009.

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**Annual General Meeting at 11.30 a.m. on Saturday,
the 19th day of September, 2020 through Video Conferencing /
Other Audio Visual Means.**

NOTICE

Notice is hereby given that the 74th Annual General Meeting of the Members of **MADHUSUDAN INDUSTRIES LIMITED** will be held at 11.30 a.m. on Saturday, the 19th day of September, 2020 through Video Conferencing ('VC') facility or Other Audio Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the Financial year ended on 31st March, 2020 and the Directors' and Auditors' Reports thereon.
2. To appoint a director in place of Shri P. K. Shashidharan (DIN: 06506263), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:

"RESOLVED THAT Shri Rajesh P. Shah (DIN: 08828119), who was appointed as an additional director of the Company by the Board of Directors w.e.f. 11th August 2020 in terms of Section 161 of the Companies Act, 2013 and Article 131 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company (who will not retire by rotation) pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under including any amendment(s), modification(s), replacement(s) or re-enactment(s) thereof for the time being in force read with Schedule IV to the Companies Act, 2013 to hold office for 5 (five) consecutive years for a term up to 10th August, 2025."

Regd. Office :
Survey No. 359/B, 359/C, 361 and 362,
Rakhial – 382 315, Taluka - Dehgam,
Dist. Gandhinagar.
11th August, 2020
CIN : L29199GJ1945PLC000443

By Order of the Board of Directors
For, Madhusudan Industries Limited

Neha Singh
Company Secretary
(ACS: 55606)

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to evoting@parikh-dave.com with a copy marked to evoting@cdslindia.com.
4. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to MCS Share Transfer Agent Limited, Ahmedabad in case the shares are held by them in physical form.
5. Statement pursuant to provisions of Section 102 of the Companies Act, 2013 is annexed hereto.
6. Unpaid / Unclaimed Dividend, Share application money received and due for refund and matured deposits unclaimed and unpaid for a period of seven years as applicable have been transferred to the Investor Education and Protection Fund pursuant to the provisions of, the Companies Act.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar. Securities and Exchange Board of India has prohibited physical transfer of shares w.e.f. 01.04.2019.

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8. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.madhusudan-india.com, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com at Notice of AGM on the website of CDSL: <https://www.evotingindia.com>. Members who have not registered their email address are requested to get their email address registered with their DPs in case the shares are held in electronic mode and with Company's Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited, Ahmedabad in case shares are held in Physical Form. This may be treated as an advance opportunity in terms of proviso to Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014.
9. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 9th September, 2020 through email on madhu_green@madhusudan-india.com. The same will be replied by the Company suitably. All the documents, if any, referred to in this notice and explanatory statement are available for inspection of the members of the Company on any working day except Saturday, between 10:00 a.m. to 1:00 p.m. up to the conclusion of this meeting.
11. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date i.e. 12th September, 2020 only shall be entitled to avail the facility of remote e-voting or voting at the Meeting. The copy of register of Directors, Key Managerial Personnel and their shareholding maintained under the Companies Act, 2013 will be available for inspection by the members on request by sending an e mail to the Company.
12. Brief resume of Directors, proposed to be appointed / re-appointed at this Annual General Meeting is given below:

Name of Director	Shri P. K. Shashidharan (DIN: 06506263)	Shri Rajesh P. Shah (DIN: 08828119)
Date of Birth	07.08.1958	26.10.1954
Date of Appointment	26.02.2013	11.08.2020
Qualification	M.A. (English)	B. Com.
Brief Resume and nature of expertise in specific Functional areas	Marketing & Marketing Services	Financial Advisor
List of other Directorships	NIL	NIL
Terms and Condition for appointment	N.A.	As per Explanatory Statement
Chairman / Member of the Committees of the Board of other Companies	NIL	NIL
Shareholding in the Company	NIL	NIL
Disclosure of relationship between Director inter se	Not related to any Director	Not related to any Director
No. of Board Meeting attendance FY 2019-20	2	N.A.

13. INSTRUCTION FOR E-VOTING AND JOINING THE AGM:

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- b) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- c) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- d) Shareholders holding equity shares shall have one vote per share as shown against their holding. The shareholders can vote for their entire voting rights as per their discretion.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period will begin on 16th September, 2020 (9.00 a.m.) and will end on 18th September, 2020 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 12th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the time of meeting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Shareholder who have not updated their PAN with the Company / Depository participated are requested to use the Sequence Number. Please send request to madhu_green@madhusudan-india.com to get sequence number.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. - If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Madhusudan Industries Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

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- (ii) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- (i) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- (vi) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (vii) Members who need assistance before or during the AGM, or have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- (viii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 022-23058542/43.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- (iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the EGM/AGM.

INSTRUCTIONS FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- (iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- (iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (vi) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; madhu_green@madhusudan-india.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- 14. Umesh Parikh, Partner of Parikh Dave & Associates, Practicing Company Secretaries, Ahmedabad has been appointed as the Scrutinizer to scrutinize the e-voting process and voting process at AGM in a fair and transparent manner.

15. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote voting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
16. The Results will be declared on receipt of Scrutinizer's Report at the Registered office of the Company at 9, GIDC Industrial Estate, Kadi - 382715. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.madhusudan-india.com and on the website of CDSL immediately and communicated to the BSE.

Statement pursuant to provisions of Section 102 the Companies Act, 2013.

Item No. 3

The Board of Directors at its meeting held on 11th August, 2020 has appointed Shri Rajesh P. Shah as an Additional Director (Independent) of the Company w.e.f. 11th August, 2020 under section 161 of the Companies Act, 2013 and Article 131 of the Articles of Association of the Company. He is B.Com and having rich experience as Financial Advisor for Investment and Insurance Segment. He does not hold either by himself or through relative any shares in the Company.

According to the provisions of Section 161 of the Companies Act, 2013, he will hold office as an Additional Director only up to the date of this Annual General Meeting. As required under Section 160 of the Companies Act, 2013, notice has been received from a member signifying his intention to propose the appointment of Shri Rajesh P. Shah as Director. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Rajesh P. Shah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 10th August 2025. His appointment as an Independent Director is also approved and recommended by the Nomination and Remuneration Committee of the Company.

In the opinion of the Board, Shri Rajesh P. Shah fulfills the conditions specified in the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as an Independent Director of the Company. He is independent of the management of the Company.

The Board considers that his experience and expertise would be beneficial to the Board and the Company and it is desirable to avail the services of Shri Rajesh P. Shah as an Independent Director. Accordingly, the Board recommends the resolution as per item no. 3 of the accompanying notice for appointment of Shri Rajesh P. Shah as an Independent Director for passing by the members of the Company.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the notes to this Notice.

Except Shri Rajesh P. Shah, none of your Directors or key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the resolution as per the item No. 3 of the notice.

Regd. Office :
Survey No. 359/B, 359/C, 361 and 362,
Rakhial – 382 315, Taluka - Dehgam,
Dist. Gandhinagar.
11th August, 2020
CIN : L29199GJ1945PLC000443

By Order of the Board of Directors
For, Madhusudan Industries Limited

Neha Singh
Company Secretary
(ACS: 55606)

Directors' Report

To

The Members,

The Directors submit herewith the Annual Report together with the Statement of Accounts of your Company for the year ended 31st March, 2020.

Performance

The summary of your Company's financial performance is given below:

	Year ended March 31, 2020 (Rs. in lakhs)	Year ended March 31, 2019 (Rs. in lakhs)
Profit before Depreciation and Taxes	(125.24)	37.83
Deducting there from Depreciation	10.78	12.80
Profit / Loss before tax after exceptional item	(136.02)	25.03
Deducting therefrom taxes of:		
- Current Tax	11.15	18.00
- Deferred Tax	(49.62)	(10.27)
Profit for the period	(97.55)	17.30
Add/(Less): Other Comprehensive Income (Net of Tax)	(1.25)	(2.13)
Total Comprehensive Income	(98.80)	15.17

Transfer to Reserves

Due to Carry forward loss of previous years the Company has not transferred any amount to General Reserve in the current year.

Highlights / Performance of the Company

Total revenue from operations of the Company was Rs. 102.87 Lakhs during the year, as compared to Rs. 114.61 Lakhs in the previous year.

Covid-19

Presently Company is not involved in any manufacturing activities, except leasing of property. Hence, services of the company were not much affected by the Covid-19 pandemic. The Company has also considered internal and external information and has performed an analysis based on current estimates while assessing the provision towards employee benefits, trade receivables, investments and other current and financial assets, for any possible impact on the financial statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position and internal financial reporting controls. However, the actual impact of COVID-19 on business may differ from that estimated due to unforeseen circumstances and the Company will continue to closely monitor any material changes to future economic conditions.

Management Discussion and Analysis**a) Industry Structure and Developments**

The Company continues its search for a viable project to be set up at the available facilities at Rakhial.

b) Opportunities and Threats

The Management is interested in undertaking a suitable venture that can be set up in the available land and infrastructure with the Company. As such the Company does not face any threat in its existence.

c) Outlook

It will entirely depend on the project to be set up by the Company.

d) Risks & Concerns

Presently, Company is exposed to the prevalent risks of uncertainties and changes in government policies, unexpected regulatory changes etc.

e) Internal Control Systems and their adequacy

The Company has computerized its accounting system since many years. Adequate internal control system exists in the Company and the internal control system of the Company is commensurate with the size and complexity of the Company's business. The operations are subject to periodic internal audit by independent Auditors.

f) Financial performance with respect to Operational Performance is discussed in the main part of the report.**g) Material Developments in Human Resources, Industrial Relations, Environment, Health & Safety**

The Company values and nurtures its human resources and Company would continue to adopt and implement the best HRD practices in future. Manpower strength of the Company as on March 31, 2020 stands at 6.

h) Key Financial Ratios : (in times / %)

Sr. No.	Ratio	2019-20	2018-19
1	Debtors Turnover -times	14550.07	8105.53
2	Inventory Turnover	0.00	0.00
3	Interest Coverage Ratio	0.00	0.00
4	Current Ratio - times	41.36	51.21
5	Debt. Equity Ratio	0.00	0.00
6	Operating Profit Margin %	(132.23)	21.84
7	Net Profit Margin %	(94.83)	15.09
8	Return on Net Worth %	(5.57)	0.94

There is a considerable reduction in average debtors in FY 2019-20 as compared to that of FY 2018-19, which has resulted in increase in debtors turnover ratio. Operating Profit Margin, Net Profit Margin and Return on Net Worth Ratios varies due to decline in the fair value of Non-Current and Current Investments of the Company in FY 2019-20 as compared to carrying fair values of FY 2018-19, which are recognized in the statement of profit and loss account as per the requirement of Indian Accounting Standards (Ind AS).

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed herewith as a separate Annexure-I.

Particulars of contracts or arrangements with related parties

All transactions entered with Related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis, the details of which are included in the notes forming part of the financial statements.

There were no material related party transactions entered during the year. Accordingly, information in form AOC - 2 is not annexed. Further no materially significant related Party transactions were made by the Company with Directors, Key Managerial Personnel or other designated Persons, which may have a Potential Conflict with the interest of the Company at large. All related party transactions were placed before the Audit Committee and also the Board for approval. The Policy on related Party transactions as approved by the Board is uploaded on the Company's website i.e. www.madhusudan-india.com.

Director's Responsibility Statement

In compliance of Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm:

- that in the preparation of annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- that such accounting policies have been selected and applied consistently and made judgements 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 on March 31, 2020 and of the loss of the Company for the year ended on that date;
- that proper and sufficient care has been taken 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;
- that the annual accounts have been prepared on a going concern basis.
- that internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Managerial Remuneration and Employees

Details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are enclosed as a separate Annexure-II.

Details of employees as specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is annexed to this report as annexure, however it is not being sent alongwith this Annual Report but available for inspection at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on request, being made to the Company Secretary. The above detail is not being sent alongwith this Annual Report to the members in line with the provisions of Section 136 of the Companies Act, 2013 and rules made thereunder.

Company has not offered its shares to its employees under ESOS during the year under review.

Company has not sanctioned loan to any of its employees for purchase of Company's shares under any scheme.

Extract of Annual Return

The details forming part of the extract of the annual return in Form No.MGT-9 is annexed herewith as a separate Annexure-III.

Corporate Governance

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance has been included in this Annual Report as a separate Annexure - IV.

As per Regulation 15 the of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to comply with Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V. However, as a good corporate governance practice, the Company has been complying with the aforesaid provisions / regulations voluntarily.

Number of Meetings of the Board

The Board of Directors, during the financial year 2019-20 duly met 4 times on 02.05.2019, 06.08.2019, 08.11.2019 and 04.02.2020 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

Particulars of Loans, guarantees or investments

The loans if any, made by the Company are within the limits prescribed u/s 186 of the Companies Act, 2013 and no guarantee or security is provided by the Company.

Details of investments covered u/s 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Risk Management Policy

The Board has approved and implemented risk management Policy of the Company including identification and element of risks.

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The Risk Management is overseen by the Audit Committee / Board of Directors of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

Audit Committee

The Company has constituted Audit Committee. For details please refer Corporate Governance Report attached as a separate Annexure-IV.

Internal Control System and its Adequacy

The Company has internal control system commensurate with the size, scale and complexity of its business operations. The scope and functions of Internal Auditor are defined and reviewed by the Audit Committee. The Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor assesses opportunities for improvement of business processes, systems and controls, to provide recommendations, which can add value to the organisation.

Dividend

Due to carry forward loss of previous years, the Board of Directors has not recommended any dividend. During the year the Company was not required to transfer unclaimed dividend to the Investor Education and Protection Fund.

Share Capital

The paid up Equity Share Capital as on 31st March, 2020 was Rs.268.75 Lakhs. During the year under review the Company has not issued any shares.

No shares with differential voting rights, stock or sweat equity shares were issued by the Company during the year under review.

The Company was not required transfer any Shares to Investor Education and Protection Fund, pursuant to the provisions of section 124 & 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016.

Exchequer

The Company has contributed Rs. 65.78 Lakhs to the exchequer by way of GST, Income Tax, Excise and other fiscal levies.

Deposits

For the year under review, the Company has not accepted fixed deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014. There have been no defaults in repayment of deposits or payment of interest thereon during the year.

The Company has no unclaimed/unpaid fixed deposits as at end of the year.

Directors

Members at the Annual General Meeting held on 25th September, 2018 have re-appointed Shri Rajesh B. Shah, Shri P. C. Surana and Smt. Rutva Acharya as Independent Directors of the Company to hold office for further period of five consecutive years for a term up to 31st March, 2024 (they will not retire by rotation).

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and there has been no change in the circumstances which may affect their status as Independent director during the year under review and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. The Company keeps informed independent directors about changes in the Companies Act, 2013 and rules and other related laws from time to time and their role, duties and responsibilities.

Shri. P.K. Shashidharan, director is due to retire at the end of the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Brief resume of the Director who is proposed to be reappointed at the ensuing Annual General meeting as required as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the notice convening this Annual General Meeting of the Company.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, Schedule – IV of the Companies Act and SEBI (LODR) Regulations, 2015, the Board has carried the evaluation of its own performance, individual Directors, its Committees and Key Managerial Personnel, on the basis of attendance, contribution and various criteria as recommended by the Nomination and Remuneration Committee of the Company.

The performance of each of the Independent Director and non-independent director was also evaluated by the Independent Directors at the separate meeting held of Independent Directors of the Company.

Policy on Directors appointment and remuneration

Criteria determining the qualifications, positive attributes and independence of Directors.

Independent Directors

- Qualifications of Independent Director

An independent director shall possess appropriate skills, qualifications, experience and knowledge in one or more fields of finance, law, management, marketing, administration, corporate governance, operations or other disciplines related to the Company's business.

- Positive attributes of Independent Directors

An independent director shall be a person of integrity, who possesses knowledge, qualifications, experience, expertise in any area, integrity, level of independence from the Board and the Company etc. Independent Directors are appointed on the basis of requirement of the Company, qualifications & experience, association with the Company etc. He/She should also devote sufficient time to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.