

27TH
ANNUAL
REPORT
FY: 2020-21

MIDAS INFRA TRADE LIMITED

ANNUAL REPORT 2020-21

CONTENTS

Managing Director's Statement	02
Sales, Income & PAT Graph.....	06
Corporate Information.....	08
Notice	10
Board's Report	23
Management Discussion and Analysis Report	45
Report On Corporate Governance.....	49
Auditor's Report on Standalone Financial Statement	68
Statement of Profit and Loss	81
Statement of Cash Flows	83
Notes to Financial Statements	85

Statement From The Managing Director



Dear Shareholders,

I am pleased to place before you the **27th Annual Report of Midas Infra Trade Limited** with reflections on the year gone by and my thoughts on the journey ahead. The Company has entered in to Jewellery Trade by acquiring the business of HDC Private Limited in the Financial Year 2016-17 and opening chain of Showrooms of Jewellery under the franchisee of “**SUNAR**” in Delhi and NCR. The Business of the Company was outstanding and it recorded revenue of Rs. 15858.21 Lakh in this year.

It is an old saying that change is the only constant. Last few years have seen many regulatory changes like:

- Introduction and reversal of abolition of gold on lease scheme
- Announcement of demonetization.
- Introduction Goods and Services Tax
- Jewellery purchase schemes falling under the ambit of Deposits
- Introduction and reversal of 80:20 ruling on gold imports
- Hallmarking
- PAN Card requirement for any sales above Rs. 2 lakh
- Imposition of excise duty for the first time on the jewelry industry

The Company has remained on its toes throughout to comply with the new regulations and changing business environment. At the same time we welcome the new regulations as they will go a long way in making the jewellery industry more transparent and increase the market share of the organized players. Increasing regulatory environment increases the compliance costs for the unorganized players and thus creates a huge growth potential for the organized players.

The Indian consumption story continued to gather momentum during the year. Buoyed by 7.2% growth in GDP, India's affluent middle class and aspirational youth are the key drivers of the impressive and increasing Indian consumption trajectory. Long-term reforms like the implementation of the Goods and Services Tax (GST) are in line with formalisation of the economy as they create a unified marketplace for the first time

The share of the organized players had been increasing in any case as the consumers prefer to buy jewelry from a branded showroom due to assurance of quality, purity and availability of a wider design range. The imposition of Goods and Service Tax regime from 1st July, 2017 further shifts the balance in favour of the organized sector and we feel that the pace of this shift will only increase now.

Thus, I see huge potential for growth, not only for Midas but for other branded players as well. The Indian jewelry market is huge and I feel that there is enough scope for another 10 to 15 branded Companies. However, it is very important to have a first mover advantage to acquire the maximum market share and Midas's expansion policy is to achieve the same.

Though online channels are gaining transaction in our country, especially in the younger generation, but for jewelry purchase touch and feel of the actual product still remains a very important factor. I am now getting a lot of customers who have browsed our products online, liked them but come to our showrooms for purchasing the same. Hence, having a physical presence on ground is a must for growth and customer acquisition. The Company would therefore continue to open showrooms for gaining access to the maximum number of consumers.

Some of the other ROE accretion steps being carried out by the Company include:

- (1) Reduction in the quantum of inventory by digitising the same and making it available across all showrooms rather than physical inventory. This would be especially useful for reducing the number of high value jewelry items which have a longer turnaround period.
- (2) Leveraging technology to create virtual showrooms and thus minimize investment in physical showrooms.
- (3) Strengthening our online vertical enables us to target consumers across wide area and achieve sales with a minimal capital investment. This also helps us to leverage on the online offline synergies between the two verticals.
- (4) Leverage in house designing and manufacturing strengths to create higher margin jewelry of the likes of Flexia etc.
- (5) Helping margins by identifying inefficiencies and rationalizing costs across all the operations and processes.

I would continue to invest on strengthening my manufacturing and designing capabilities. I sincerely believe that this sector becomes more and more organized the only differentiating factor between the two organized/branded players will be the availability of maximum number of designs at all price points. Hence, I am very passionate about this point. Having strong manufacturing capabilities permits me to reduce production costs, retain skilled workers, shorten product development and develop capability to introduce newer collections rapidly.

This will enable the Company to gain a sustainable competitive advantage over its competitors.

Acquisition of exclusive franchisee of premium Jewelry brand “SUNAR” by the Company has given us a presence in the high premium Jewelry segment within the country. The Company is confident that it will play a significant role in its growth in the coming years.

I take this opportunity to convey my thanks to all the stakeholders, vendors, bankers and customers for all their support and encouragement throughout the year. I am also thankful to all our employees who have continued to contribute to the Company's growth with their exemplary performance and commitment.

Yours sincerely,

Rajnish Chopra
Managing Director

OUR VISION

We create elevating experiences for the people we touch and significantly Impact the world we work in.

OUR MISSION

We will do this through a pioneering spirit and a caring, value-driven culture that fosters innovation drives performance and ensures the highest global Standards in everything we do.

OUR VALUES AND STANDARDS

Total Customer Orientation

Customers take precedence over everything else, always.

Employee Appreciation

We value and respect our employee and endeavor to fulfill their needs and aspirations.

Performance Culture and Teamwork

At Midas, high performance is a way of life and is nurtured by teamwork.

Creativity and Innovation

Driven by innovation and creativity, we thrive on questioning the status quo and investing in current technologies.

Passion for Excellence

In all our pursuits, we ceaselessly strive for excellence.

Corporate Citizenship

We ensure that a part of our resources are invested in the betterment of the environment and community, in general.

Engaging With Our Stakeholders

Our value creation process integrates value-creation for all our stake holders. We engage with various stake holders on a regular basis to understand their concerns and expectations and work towards resolving and fulfilling these.

Customers

As a Jewelry products company, we are deeply aligned to the ever evolving and changing needs of our customers. Creating and delivering a pleasant and delightful retail experience encompassing the right store experience with excellent products that are latest in terms of trend and fashion, an accessible and responsive customer service network is at the heart of our customer engagement initiatives.

We undertake various activities and initiatives to engage with our customers across geographies, demographics and segments. We use both traditional engagement channels like surveys and research as well as digital media to understand the concerns and needs of customers. Creating forums and communities on the digital media ensures we can address their concerns and incorporate their feedback on a real-time basis, which also enables us to continuously upgrade and improve customer service with better proposition.

Vendors, Third Party Contractors and Suppliers

We work with numerous vendors, suppliers and contractors – each of whom play an important role ranging from procurement to manufacture and from branding to logistics. We regularly meet with our vendor, to understand their issues relating to ease of doing business, maintaining quality, etc. These initiatives are held at our corporate office.

Our Employees, Our People

We are committed to our employees. We engage with our employees through various forums like Heartbeat, the Employee Engagement survey to understand their concerns and needs. Employees have numerous platforms to voice their opinions. At our plants and manufacturing units, we conduct regular meetings and interactions with the representatives of employees covering aspects like safety, health, productivity, skill development, process improvement etc. Some of these include open houses, departmental meets and the TELL ME Survey, conducted by the Managing Director. We take corrective action to address the concerns raised and also incorporate the views and feedback in to our policies.

Investors

As part of investor relations, Midas has a dedicated investor relations department headed by the Company Secretary, as well as Stakeholders Relationship Committee. Investor complaints like non-receipt of dividends and other issues are promptly addressed. Detailed investor presentation is uploaded on the investor section of the Company's website regularly.

Government & Regulatory Bodies

We engage with various government departments and regulatory bodies from time to time to further address issues and concerns on behalf of the industry. Issues like ease of doing business, industry regulations, compliance and regulatory framework are some of the areas we regularly take up on behalf of the industry at various industry and government forums, ensuring the views of the industry and the government are aligned and attuned.

Community & Society

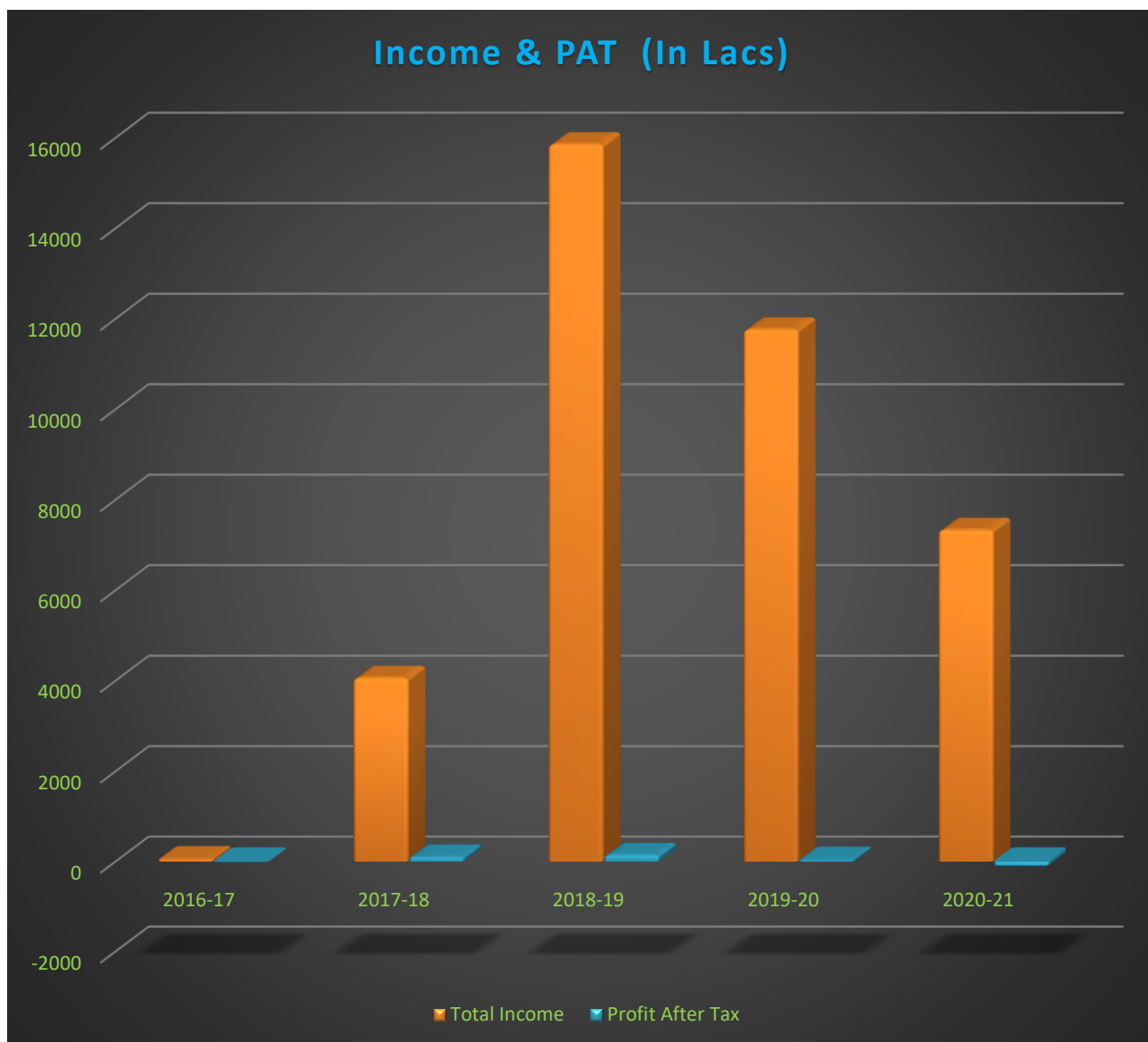
We have always been a responsible corporate citizen with a firm belief in making a difference to the lives of people in the communities and societies we live and working. We engage with communities and societies through various programmes for the benefit of them.

Our HR team constantly upgrades policies for women empowerment and hiring of differently-abled persons. We also support Affirmative Action, especially at our manufacturing units. We also increase the belonging towards the company through many small and large format initiatives.

SALES GRAPH



INCOME AND PAT GRAPH



MIDAS INFRA TRADE LIMITED

Corporate Information As on 31st March, 2021

Board of Directors:

Mr. Rajnish Chopra

Managing Director

Mr. Bhagat Ram

Independent Director

Mr. Shyam Sundar

Independent Director

Chief Financial Officer:

Mr. Murari Lal

Company Secretary & Compliance Officer:

Praveen Kumar (w.e.f. 07.04.2021)
(Note - Ms. Aastha Wahi had resigned
from Company Secretary w.e.f. 15Th
October, 2020 and 15Th October, 2020
was last date of her employment)

Statutory Auditors

APRA & Associates LLP,
Chartered Accountants
FRN: 011078N
379, Aggarwal Millenium Towers-II
Netaji Subhash Palace, Pitampura,
New Delhi-110034

Internal Auditors

**M/s Manav & Co, Chartered
Accountants,**
Annapurna Apartment, Flat-1A,
12A, Suhasini Ganguly Sarani,
Kolkata-700025

Secretarial Auditor

**M/s KMPM & Co, Company
Secretaries**
611,6Th Floor, Pragati Tower, Rajinder
Place, New Delhi -110008

Bankers

1. IDFC First Bank, Rohini
2. HDFC Bank, Karol Bagh

Registered Office

301, 2633-2634, Bank Street, Karol Bagh
New Delhi- 110005
Tel.: 011-42633934

Registrar and Share Transfer Agent (RTA) Limited,

Skyline Financial Services Private
D-153 A, 1st Floor, Okhla Industrial Area,
Phase – I, New Delhi- 110020
Tel.: 011-40450193 to 97

Website

www.mitl.org.in

Corporate Identity Number

L65910DL1994PLC062379

ISIN (Equity Share)

INE290M01022

BSE Limited (Scrip Code)

531192

Note :

Members seeking any information on the Annual Report & Accounts are requested to send their queries to the Company on or before 5:00 P.M. (IST) on Thursday, 23rd September, 2021.