

# 29<sup>th</sup> ANNUAL REPORT 2019-2020



## **Table of Contents**

1.	Corporate information	01
2.	Notice	02
3.	Director's Report	16
4.	Annexure to Director's report	26
5.	Management Discussion and Analysis	47
6.	Corporate Governance Report	50
7.	Independent Auditor's Report	73
8.	Annexure to Auditor's Report	78
9.	Balance Sheet	82
10.	Profit and Loss Account	83
11.	Cash Flow Statement	84
12.	Notes to the financial Statement	88
13.	E-Communication Registration Form	

CIN : L17120DN1990PLC000440

An ISO 9001 : 2015 Certified Company

## CORPORATE INFORMATION

### Board of Directors

- |  |  |
|--|--|
| <p><b>1. Mr. Mukesh Ramniranjan Ruia</b><br/>Chairman &amp; Managing Director</p> <p><b>3. Mr. Sushil Kumar Poddar</b><br/>Independent Director (Retired w.e.f. 01.04.2019 and again appointed w.e.f. 30.09.2019)</p> <p><b>5. Ms. Swati Sahukara</b><br/>Independent Director (Resigned w.e.f. 12.08.2019)</p> <p><b>7. Mrs. Shweta Mundra</b><br/>Independent Director (Appointed w.e.f. 08.05.2020)</p> | <p><b>2. Mr. Ravi Jogi</b><br/>Whole-Time Director</p> <p><b>4. Mrs. Rohini Pradyumna Dandekar</b><br/>Independent Director (Resigned w.e.f. 13.02.2020)</p> <p><b>6. Mr. Vikas Damodardas Rathi</b><br/>Independent Director (Appointed w.e.f. 30.04.2019)</p> <p><b>8. Mrs. Sudha Agarwal</b><br/>Independent Director (Appointed w.e.f. 26.08.2020)</p> |
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### Chief Financial Officer

Mr. Suresh Chandra Gattaini

### Registrar & Transfer Agent

**Sharex Dynamic (India) Pvt. Ltd.**

C-101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai – 400 083.

### Corporate Office

Express Zone 'A' Wing,  
Unit No. 1102/1103, Patel Vatika,  
off Western Express Highway,  
Malad (East) Mumbai- 400 097,

Maharashtra, India

### Plant Locations

#### Registered Office

##### Unit –III,

Plot No. 185/1, Naroli Village,  
Near Kanadi Phatak, Dadra & Nagar Haveli – 396 235.  
(Union Territory), India

### Company Secretary & Compliance Officer

Mrs. Meena A. Agal

### Statutory Auditors

M/s. Ajay Shobha & Co.  
Chartered Accountants

### Lenders

State Bank of India  
Axis Bank Ltd  
Union Bank of India  
Allahabad Bank (Merged with Indian Bank w.e.f. 01.04.2020)  
Omkara Assets Reconstruction Pvt. Ltd.

### Unit II

Plot no. 44 Government Industrial Estate,  
Masat, Samarvani, Dadra & Nagar Haveli – 396 230.  
(Union Territory), India

### Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses to the Company or its Registrar and Share Transfer Agents (RTA).

## NOTICE

**Notice** is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of Shekhawati Poly-Yarn Limited will be held on September 30, 2020 at 2.00 p.m. IST ( Indian Standard Time) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on March 31, 2020 including Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss Account and Cash flow statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mukesh Ruia (DIN No. 00372083), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** in accordance with the provisions of Section 139, 141 and 142 of the Companies Act, 2013 read with rule 3(7) of the Companies (Audit and Auditor) Rules, 2014, M/s. Ajay Shobha & Co., Chartered Accountants, (Firm registration no. 317031E) Mumbai, be and are hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General meeting till the conclusion of the Annual General Meeting to be held for the financial year 2025 (subject to ratification of their appointment in every AGM), at such remuneration, terms and conditions as may be mutually agreed between the board of Directors of the Company and the Auditors apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of Audit.

### SPECIAL BUSINESS

#### 4. Appointment of Mrs. Shweta Mundra as an Independent Director for 5 consecutive year

To appoint Mrs. Shweta Mundra (DIN No. 08728819) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provision of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, read with the Article of Association of the Company and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, and Regulation 27 of Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015, Mrs. Shweta Mundra (DIN No. 08728819), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years.”

#### 5. Appointment of Mrs. Sudha Agarwal as an Independent Director for 5 consecutive year

To appoint Mrs. Sudha Agarwal (DIN No. 08848273) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provision of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, read with the Article of Association of the Company and the Companies (Appointment

and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, and Regulation 27 of Listing Obligation and Disclosure Requirement (LODR) Regulations, 2015 Mrs. Sudha Agarwal (DIN No. 08848273), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years.”

## 6. Ratification of Remuneration to Cost Auditor :

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2015 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration as decided between the company and auditor to M/s. N. Ritesh & Associates, Cost Accountants (Registration No. 26963), who were appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2020-2021, be and is hereby ratified and confirmed.”

## 7. Approval for Related Party Transaction

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Special Resolution**:

“**RESOLVED THAT** pursuant to the provision of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions if any, read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation) and Company Policy on Related Party Transaction(s), approval of shareholders be and is hereby accorded to the Board of Director of the Company to enter into contract(s)/arrangement(s)/transaction(s) with M/s. Vinayak Clothings Private Limited a related Party within the meaning of Companies Act, 2013 and SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 for Purchase of Partially Oriented Yarn (POY) and other materials and sell of Texturized Yarn, Twisted Yarn, Knitting Fabrics and assets including doing Job works on such terms and conditions as the Board may deem fit, up to a maximum aggregate value of ₹ 250 crore for purchase and ₹ 250 crore for sale including Job work for the Financial Year 2020-21, provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

**RESOLVER FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the power conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

**By Order of the Board of Directors For Shekhawati Poly-Yarn Limited**

**Place : Mumbai**  
**Date : August 26, 2020**

**Sd/-**  
**Meena A. Agal**  
**Company Secretary & Compliance Officer**

### Registered Office:-

Unit No. III, Survey No. 185/1, Naroli Village, Near Kanadi Phatak,  
Dadra & Nagar Haveli, Silvassa. 396 235. India

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence the forthcoming 29<sup>th</sup> AGM of the Company scheduled on Wednesday, September 30, 2020 at 2.00 p.m. (IST) through video Conferencing ("VC") or other audio visual means ("OAVM"). Hence Members can attend and participate in the ensuing 29<sup>th</sup> AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, read with MCA General Circular No. 20/2020 dated May 5, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this 29<sup>th</sup> AGM. However, in pursuance the Body Corporates are entitled to appoint authorised representatives to attend the 29<sup>th</sup> AGM through VC/OAVM and participate and cast their votes through e-voting.
3. The Members can join the ensuing 29<sup>th</sup> AGM in the VC/OAVM mode 30 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 29<sup>th</sup> AGM through VC/OAVM will be made available for 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 ensuing 29<sup>th</sup> AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the 29<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 29<sup>th</sup> AGM has been uploaded on the website of the Company at [www.shekhawatiyarn.com](http://www.shekhawatiyarn.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the 29<sup>th</sup> AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. 29<sup>th</sup> AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
7. Corporate Members intending to send their authorized representative to attend the Meeting are requested to submit a duly certified copy of the Board Resolution/ Power of Attorney/other valid authority, authorising their representative to attend and vote along with specimen signature of Authorised representative(s) by e-mail to [compliance@shekhawatiyarn.com](mailto:compliance@shekhawatiyarn.com) before the commencement of the 29<sup>th</sup> AGM.
8. In terms of Section 152 of the Companies Act, 2013, Mr. Mukesh Ruia, (DIN No. 00372083) Director, retire by rotation at the Meeting and being eligible, offers himself for reappointment. The Board of Directors of the Company recommend his re-appointment. The details of the director seeking re-appointment as required Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards-2 issued by Institute of Company Secretaries of India and notified by Central Government, is annexed hereto.



9. The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the Meeting, is annexed hereto.
10. In case of joint holders attending the 29<sup>th</sup> AGM, the member whose name appears as the first holder in the order of names as per Register of Member will be entitled to vote, provided the votes are not already cast by remote e-voting.
11. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office/Corporate Office of the Company during the Business hours on all working days except Saturday and Sunday up to the date of the 29<sup>th</sup> Annual General Meeting.
12. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 24, 2020 to Wednesday, September 30, 2020 (both days inclusive) in connection with 29<sup>th</sup> Annual General Meeting.
13. Members who would like to express their views/ask question during the 29<sup>th</sup> AGM may register themselves as a speaker by sending their request, mentioning their name, demat account no./folio number, email id, mobile number at [compliance@shekhawatiyarn.com](mailto:compliance@shekhawatiyarn.com) between September 23, 2020 to September 26, 2020. The shareholder do not want to speak during the AGM but have queries may send their queries mentioning their name, demat account number/folio number, email ID, mobile number to [compliance@shekhawatiyarn.com](mailto:compliance@shekhawatiyarn.com). These queries will be suitably replied to by the Company by Email.
14. Those shareholder who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting for a maximum time of 3(three) minutes each, once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speaker and number of questions depending on the availability of time for the AGM.
15. In accordance with MCA Circulars dated April 08, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020 due to COVID-19 pandemic, the Notice of 29<sup>th</sup> AGM along with the Annual Report for 2019-20 inter alia indicating the process and manner of remote e-voting and voting through vedio conferencing is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company's Registrar & Share Transfer Agents, Sharex Dynamic (India) Pvt. Ltd. ("RTA") / Depositories. Members may note that the Notice of the 29<sup>th</sup> AGM along with the Annual Report 2019-20 is also available for download on the website of the Company at [www.shekhawatiyarn.com](http://www.shekhawatiyarn.com) and on the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
16. For receiving all communication (including Notice and Annual Report) from the Company electronically:
  - (a) Members holding shares in physical mode and who have not registered/ updated their email addresses with the Company/ RTA are requested to register/ update the same by writing to the Company/ RTA with details of folio number and attaching a self-attested copy of the PAN Card at [compliance@shekhawatiyarn.com](mailto:compliance@shekhawatiyarn.com) or to the Company's RTA at [support@sharexindia.com](mailto:support@sharexindia.com).
  - (b) Members holding shares in dematerialised mode are requested to register/ update their email addresses with the relevant Depositories
17. Members will be able to attend the 29<sup>th</sup> AGM on September 30, 2020 through VC/ OAVM or view the live webcast by logging on to the e-voting website of NSDL at [www.evotingindia.com](http://www.evotingindia.com) by using their e-voting login

credentials. On this page, click on the link Shareholders / Members, the Video Conferencing/ webcast link would be available.

18. The members are requested to get their physical shares dematerialised, since vide SEBI Circular dated June 08, 2018 read with SEBI Circular dated December 03, 2018 with effect from April 01, 2019, except in case of transmission or transposition, the securities shall not be transferred unless they are held in the dematerialised form.
19. To prevent fraudulent transactions, members are advised to intimate immediately any change in their address to Company's Registrar and Share Transfer Agents M/s Sharex Dynamic (India) Private Limited, C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083 Tel 022-28515606/28515644 Fax No. 022-2851 2885. Members holding shares in the electronic form are advised to inform change in address directly to their respectively depository participants.
20. 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.

#### **21. Remote e-voting Facility:-**

- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read along 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 the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through remote e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') will be provided by National Securities Depository Limited (NSDL) .
- b. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 23, 2020.
- c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on September 23, 2020 (cut-off date ) only shall be entitled to avail the facility of remote e-voting as well as voting at the Meeting through VC/OAVM.
- e. Mr. Prabhat Maheshwari of M/s. GMJ & Associates, (Membership No. 2405), Practicing Company Secretary has been appointed as a Scrutinizer for conducting the remote e-voting and voting through video conferencing in fair and transparent manner.

#### **22. The instructions for shareholders voting electronically are as under :**

- a. The voting period begins on September 27, 2020 at 10.00 a.m. and ends on September, 29, 2020 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or



in dematerialized form as on the September 23, 2020 cut-off date (record date) may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

- b. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c. **The process/manner for availing e-voting facility and the instructions for members voting electronically are as under :-**

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

#### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

**5. Your password details are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

**6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:**

- a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.