TUNI TEXTILE MILLS LTD.
REGD. OFF. : 63/71, DADISETH AGIYARI LANE, 3RD FLOOR, MUMBAI-400 002. TEL. : 22014577 FAX : 22056350
WORKS : B-4, B-5, MIDC INDUSTRIAL AREA, MURBAD, DIST. THANE-421 401. TEL. : (02524) 222453
E-mail : tunitextile@yahoo.co.in

September 21, 2020

The Deputy Manager
Department of Corporate Services
BSE Limited
P. J. Towers, Dalal Street, Fort
Mumbai – 400 001

Ref: **Scrip Code 531411**

Sub: **Re-Submission of Notice & Annual Accounts for FY - 2019-2020**

Respected Sir or Madam,

With reference to the above captioned matter and pursuant to clause 34(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 we are re-submitting herewith with this letter, soft copy of Annual Report 2019-20 containing Notice & Annual Accounts for the financial year ended on 31st March 2020 which will be dispatched/sent to the Members of the Company through permitted mode(s).

Please take note that there was typographical error on Page No. 85 of the Report which has been forwarded to BSE as one row was omitted. We have rectified the error and are forwarding herewith corrected copy of Annual Report for your consideration as well as for the members of the Company. We have also mailed corrected report to the Shareholders of the Company.

The said Annual Report is also available under Investor Relations>Annual Reports section of Company's website viz. **www.tunitextiles.com**.

Kindly acknowledge the receipt of the same & oblige.

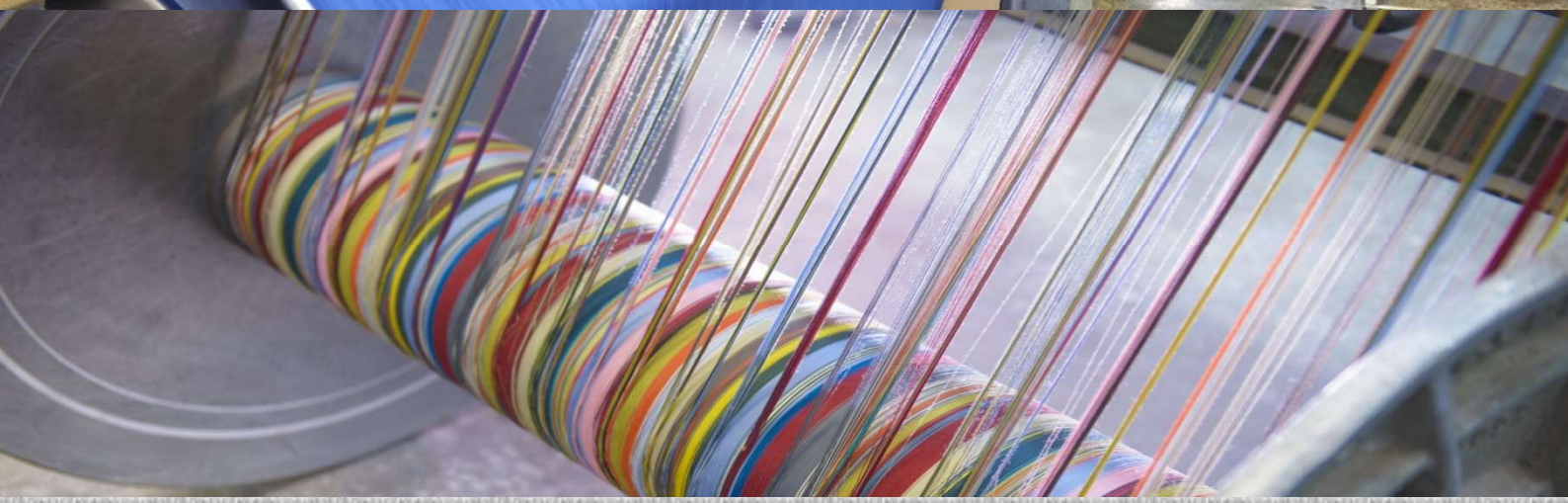
Thanking You,

Yours Faithfully,
For **TUNI TEXTILE MILLS LIMITED**

NARENDRA KR. SUREKA
DIN: 01963265
MANAGING DIRECTOR

Enclosed: a/a





33rd Annual Report

2019-2020

TUNI TEXTILE MILLS LIMITED

Corporate Identification No. L17120MH1987PLC043996

BOARD OF DIRECTORS

Narendra Kumar Sureka	Chairman & Managing Director
Pradeep Kumar Sureka	Executive, Whole Time Director
Urmila Sureka	Non - Executive Director
Pramod Kumar Bajaj	Independent Director
Mahendra S Agarwal	Independent Director

33rd *Annual* Report 2019 - 2020

KEY MANAGERIAL PERSONNEL

Ms. Mamta Jain	Company Secretary & Compliance Officer
Mr. Archit Sureka	Chief Financial Officer

AUDITORS

M/s. DBS & Associates,
Chartered Accountants, Mumbai

BANKERS

GP Parsik Bank
Indian Overseas Bank

REGISTERED OFFICE

63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road
Mumbai-400 002

CORPORATE OFFICE

Suite 174, Bldg. 5B, 1st Floor, Mittal Industrial Estate
Andheri Kurla Road, Andheri (E), Mumbai 400059

WORKS

B-5, MIDC Murbad, Dist. Thane (Maharashtra)

REGISTRAR & SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

ANNUAL GENERAL MEETING

Date	23rd September, 2020
Time	3.00 PM
Venue	Video Conferencing

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AGM will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the members of **TUNI TEXTILE MILLS LIMITED** will be held on Wednesday, the 23rd day of September, 2020 at 3.00 P.M. through Video Conferencing (VC)/Other Audio Visual Means (OAVM) to transact the following businesses as:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 along with the reports of the Board of Directors and the Auditors thereon.

2. To appoint Director in place of Mrs. Urmila Devi Sureka (DIN: 02344028), who retires by rotation and being eligible offers herself for re-appointment.

   Explanation: Based on the terms of appointment, office of executive directors and the non-executive & non independent chairman are subject to retirement by rotation. Mrs. Urmila Devi Sureka, who was appointed on March 23, 2015, whose office is liable to retire at the ensuing AGM, being eligible, seeks re-appointment. Based on performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment.

   Therefore, members are requested to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Urmila Devi Sureka (DIN: 02344028), who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation."

Note:

The Company's Statutory Auditor, M/s DBS & Associates, Chartered Accountants, Mumbai (FRN – 081627N) was appointed as Statutory Auditor's for a period of five consecutive years at the 32nd AGM of the Company held on 27th September 2019 on remuneration to be determined by the Board of Directors.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, which came into effect from 7th May 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditor has been withdrawn from the Statute.

In view of the above, ratification of the Members for continuance of their appointment at this AGM is not being sought. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and have not been disqualified in any manner from continuing as Statutory Auditor. The remuneration payable to the Statutory Auditor shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

Mumbai, August 14, 2020

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002

Mamta Jain
Company Secretary & Compliance Officer

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide it's 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 "AGM" through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the 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 Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. Corporate Members 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 to Purva Sharegistry (India) Private Limited, Registrar and Transfer Agent, by e-mail through its registered e-mail address to support@purvashare.com.

4. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.tunitextiles.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. This AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020 and MCA Circular No. 20/2020 dated 5th May, 2020.

7. Pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance, the information about the Directors proposed to be appointed/ re-appointed at the Annual General Meeting is given in the Annexure to the Notice.

8. The Register of Member and the Share Transfer Books of the Company will remain closed from 17th September 2020 to 23rd September 2020 (both days inclusive).

9. Members whose email address are not registered can register the same in the following manner:

   - Members holding share(s) in physical mode can register their e-mail ID by sending an email to the Company by providing requisite details of their holdings and documents for registering their e-mail address; and
   - Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants "DPs" for receiving all communications from the Company electronically.

10. The Company has engaged the services of NSDL as the authorized agency for conducting of the e-AGM and providing e-voting facility.

11. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

12. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID info@tunitextiles.com till the date of AGM.

13. Members are advised to refer to the section titled 'Investor Information' provided in this Annual Report.

14. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Purva Sharegistry (India) Private Limited ("PURVA") for assistance in this regard.

15. Shareholders/Investors are advised to send their queries/complaints through the e-mail id info@tunitextiles.com for quick and prompt redressal of their grievances.

16. 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 September 16, 2020 through email on info@tunitextiles.com. The same will be replied by the Company suitably.

17. 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 PURVA in case the shares are held by them in physical form.

18. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13, which is available on the website of the Company.

19. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or PURVA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

20. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

21. Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on 8th February 2019. A person is considered as a Significant Beneficial Owner (SBO) if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a company's shares or the right to exercise significant influence or control over the company. If any Shareholders holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and within the permitted time frame.

22. Instructions for attending the AGM and e-voting are as follows:

A. Instructions for attending the AGM:

1. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.

2. 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.

3. Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, and Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

B. 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:

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 Aadhaar Card) by email to RTA / Company email id at support@purvashare.com or info@tunitextiles.com.

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 Aadhaar Card) to RTA / Company email id at support@purvashare.com or info@tunitextiles.com.

The Company/RTA shall co-ordinate with NSDL and provides the login credentials to the above mentioned shareholders.

C. Voting through Electronic means -

4. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

5. The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

6. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
7. The Members present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
8. The e-voting period commences on Sunday, September 20, 2020 (9:00 am) and ends on Tuesday, September 22, 2020 (5:00 pm). During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
9. 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 of September 16, 2020. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 16, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or support@purvashare.com.
10. The Board of Directors has appointed CS Gayatri Phatak, Practicing Company Secretary (Membership No. 31886) as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
11. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

The process and manner for remote e-voting are as under:

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 are mentioned below:

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

a) 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.

b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

c) 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.

d) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
• 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******.
• 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**********
• 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***

e) Your password details are given below:

i. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

ii. 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.

iii. How to retrieve your 'initial password'?

a. 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 by 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'.

b. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

f) If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

i. 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.

ii. Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

g) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

h) Now, you will have to click on "Login" button.

i) After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

a) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

b) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

c) Select "EVEN" of company for which you wish to cast your vote.

d) Now you are ready for e-Voting as the Voting page opens.

e) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

f) Upon confirmation, the message "Vote cast successfully" will be displayed.

g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to gayatribhideandco@gmail.com with a copy marked to evoting@nsdl.co.in.

b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User

Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

d) In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.

Email: evoting@nsdl.co.in/pallavid@nsdl.co.in, Tel: 91 22 2499 4545/ 1800-222-990

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

1. Shareholders will be able to attend the AGM through VC / OAVM through web link - https://purvashare.instavc.com/broadcast/6b448afo-e79c-11ea-823a-6bb4915df9c9 by entering their remote e-voting login credentials and selecting the EVEN for Company's AGM.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requesting advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info@tunitextiles.com.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

1. The procedure for E-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. 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.
3. If any votes are casted 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.
4. 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 AGM.

Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by her in writing, who shall countersign the same.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.tunitextiles.com and on the NSDL website https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to BSE Limited (BSE), where the shares of the Company are listed.

ANNEXURE

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by ICSI, information about the Directors proposed to be appointed/re-appointed is furnished below:

Name of Director	**Mrs. Urmila Devi Sureka**
Directors' Identification No. (DIN)	02344028
Date of Birth	20th December 1959
Date of Appointment on Board	23rd March 2015
Qualification	B. Com, Graduate
Experience	4 Years' experience in the field of textile industries apart from academic profile.
Terms & Conditions of Appointment / Re-appointment	Appointed as Non-Executive Director, eligible to retire by Rotation
Remuneration details	Nil
Shareholding in Company	16,33,750 Equity Shares or 1.25% of Paid-up Capital of the Company.
Relationship with the Company & Other Directors	Part of Promoter Group & Relatives / Family member of Mr. Narendra Kr. Sureka & Mrs. Urmila Devi Sureka.
No. of Board Meeting attended during the year	7 (Seven)
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Not Any
Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies	Nil

Mumbai, August 14, 2020

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002

Mamta Jain
Company Secretary & Compliance Officer

Tuni Textile Mills Limited

CIN: L17120MH1987PLC043996
Regd. Office: 63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400 002
Tel: +91 22 2201 4577, Email: info@tunitextiles.com; Website: www.tunitextiles.com

Dear Member,

Sub: Updation of KYC Details in the Master Data

In order to ensure that all communications and monetary benefits are received promptly by all Shareholders holding shares in physical form, the Company, through periodic communiques, advises such shareholders to notify to the Company, any change in their address/ bank details /email Id etc. under the signatures of sole/ first named joint holder along with relevant supporting documents.

SEBI vide its Circular dated 20th April, 2018 had also greatly emphasized on collection of the Bank Account details and the PAN details of the shareholders in order to enable Companies/ RTA to raise standards and provide improved services to the Shareholders.

In this background, we are attaching herewith a KYC Form for all the shareholders holding shares in physical form to get all their details updated in the Master Data.

Kindly note that this Form is only for the purpose of master data Updation of Shareholders holding Shares in Physical form.

In case of Dematerialised Shareholding, the Company takes note of the details furnished only by the Depositories, whenever such information is available. You are therefore requested to provide such information only to your Depository Participant (DP), in case the shares are held in demat form.

We recommend and request you to your details updated in the master data and submit the attached KYC Form to the Company at its Registered Office at 63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400 002.

Assuring you of our best services;

Thanking you.

Yours Faithfully,

For **Tuni Textile Mills Limited**

Mamata Jain
Company Secretary & Compliance Officer

Encl.: KYC Form

FOR INFORMATION OF THE SHAREHOLDERS

Process for registration of email id for obtaining Annual Report and user ID/password for e-voting and updation of account mandate for receipt of dividend:

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, Purva Sharegistry (India) Private Limited at support@purvashare.com providing Folio No., Name of a 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) for registering email address. **Following additional details need to be provided in case of updating Bank Account Details:** • Name and Branch Address of the Bank • Bank Account Number and Type • 9 digit MICR Code Number; and • 11 digit IFSC Code • A scanned copy of the cancelled cheque bearing the name of the first shareholder.
Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your Demat account, as per the process advised by your DP.

KYC FORM
(Only for physical shareholding)

To,
The Secretarial Department
TUNI TEXTLE MILLS LIMITED
63/71, Dadiseth Agiary Lane, 3rd Floor
Kalbadevi Road, Mumbai-400 002

Date _____/_____/_____

Folio No. _____

No. of Shares _____

Dear Sir/ Madam,

We wish to update the KYC and in this matter are forwarding herewith the required supporting documents by ticking in the appropriate checkbox below:

A. For registering PAN of the registered and/ or joint shareholders (as applicable)

☐ Registered shareholder ☐ Joint holder 1 ☐ Joint holder 2 ☐ Joint holder 3

Please attach self- attested legible copy of PAN card (exempted for Sikkim Shareholders).

B. For registering Bank details of the registered shareholder

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed

☐ Aadhar/ Passport/ utility bill ☐ Original cancelled cheque leaf

2. In cases wherein the original cancelled cheque leaf has the shareholder's name printed on it

☐ Aadhar/ Passport/ Utility bill ☐ Original cancelled cheque leaf ☐ Bank Passbook/ Bank Stmt

Please note that Bank passbook/ Bank Statement should be duly attested by the officer of the same bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

C. For updating the Specimen Signature of the registered and/ or joint shareholders

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed

☐ Affidavit Banker verification ☐ Original cancelled cheque leaf

2. In cases wherein cancelled cheque leaf does NOT contain the shareholder's name printed on it

☐ Affidavit ☐ Banker verification ☐ Original cancelled cheque leaf ☐ Bank Passbook/ Stmt.

Please note that Bank passbook/ Bank Statement should be duly attested by the officer of the same bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

D. For Updating the email id for the purpose of receiving all communications in electronic mode

_____

E. For updating the Mobile No

I /We hereby state that the above mentioned details are true and correct and we consent towards updating the particulars based on the self-attested copies of the documents enclosed with this letter by affixing my/our signature(s) to it

Sign:_____ Sign:_____ Sign:_____ Sign:_____

Registered holder Joint holder 1 Joint holder 2 Joint holder 3

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 33rd Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2020.

(₹ in lakhs)

Financial Results	Year Ended 31.03.2020	Year Ended 31.03.2019
Revenue for the Year	**2582.57**	3517.63
Profit/(Loss) before Tax (PBT)	**129.42**	155.29
Less: Financial Expenses	**104.33**	100.03
Profit before Depreciation/Amortization (PBDT)	**25.09**	55.26
Less: Depreciation	**36.31**	47.86
Net Profit before Taxation (PBT)	**(11.22)**	7.40
Less: Provision for Taxation (including Deferred Tax)	**1.93**	(8.48)
Less: Extra-Ordinary Items	**17.22**	-
Profit/(Loss) after Tax & Extra-Ordinary Items	**(30.36)**	15.87
Less: Provision for Dividend	**-**	-
Changes due to conversion of accounts from GAAP to Ind AS	**0.21**	0.73
Less: Transfer to General / Statutory Reserves	**-**	-
Profit available for Appropriation	**(30.15)**	16.60
Add : Profit/(Loss) brought forward from Previous Year	**(70.36)**	(86.96)
Balance carried forward	**(100.51)**	(70.36)

COVID-19

The beginning of 2020 has witnessed the global spread of COVID-19, i.e. coronavirus. Global threat from COVID-19 is continuing to grow, and at a rapidly accelerating rate. Governments in many countries announced lockdowns and asked people to stay indoors. Around the world, these coronavirus lockdowns have driven professional and social life out of the physical world and into the virtual realm. The economic fallouts of this is still difficult to assess as the situation is still evolving.

Consequent to this, Government of India declared nation-wide lockdown on March 24, 2020, which has impacted normal business operations of the Company. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, to determine the impact on the Company's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables and MAT credit.

FINANCIAL HIGHLIGHTS

Total revenue for the year stood at ₹ 2582.57 lakh in comparison to last years' revenue of ₹ 3517.63 lakh. In term of Profit before taxation, the Company has earned a Profit/(Loss) of ₹ (11.22) lakh in comparison to last years' Profit/(Loss) of ₹ 7.40 lakh. Profit/(Loss) after Tax and Extra-Ordinary Items stood at ₹ (30.15) lakh in comparison to last financial year's Profit/(Loss) of ₹ 16.60 lakh.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report other than the impact of COVID-19 on the domestic and international business operations of the Company detailed in this Report as well as Notes to the Financial Statements of the Company.

DIVIDEND AND RESERVES

In view of carried forward losses and in order to meet future challenges and financial requirements, your Directors do not propose any dividend for the year under review.

The Dividend Distribution Policy of the Company is available on the Company's website viz. www.tunitextiles.com.

During the year under review, no amount has been transferred to General Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2020 was of ₹ 13.17925 Crore. During the year under review, the Company has not issued any share with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2020, none of the Directors and/or Key Managerial Person of the Company hold instruments convertible in to Equity Shares of the Company.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2020 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2020.

Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis. The Company discloses standalone financial results on a quarterly basis which are subjected to limited review and publishes standalone audited financial results on an annual basis.

The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

BUSINESS SEGMENT

During the year, the Company is into the business of fabric manufacturing i.e. manufacturing of Synthetic Fabric, a part of textile products in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY COMPANY

The Company does not have any material subsidiary as defined under the Listing Regulations. However, it has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company viz. www.tunitextiles.com

RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year, which were in conflict with the interest of the Company. The requisite details under Form AOC-2 in Annexure III have been provided elsewhere in this Report. Suitable disclosure as required by the Accounting Standard (Ind-AS 24) has been made in the notes to the Financial Statements.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are verified by the Risk Assurance Department and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company

The Company has put in place a mechanism for certifying the Related Party Transactions Statements placed before the Audit Committee and the Board of Directors from an Independent Chartered Accountant Firm.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34(3) of the Listing Regulations, 2015 is provided in a separate section and forms part of the Directors' Report.

CHANGE IN NATURE OF BUSINESS, IF ANY.

There are no changes in the nature of business in the financial year 2019-20.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

NUMBER OF MEETINGS OF THE BOARD

The details of the Board Meetings and other Committee Meetings held during the financial year 2019-20 are given in the separate section of Corporate Governance Report.

BOARD COMMITTEES

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT

There is no change in management of the Company during the year under review.

DIRECTORS

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

INDEPENDENT DIRECTORS & KMPs

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the independent directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

As per requirements of Regulation 25 of Listing Regulations, a person shall not serve as an independent director in more than seven listed entities: provided that any person who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Further, independent directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

During the current financial year, Mr. Alakh V Deora (Independent Director) has resigned from the Board due to his personal commitments. Further, he has provided a declaration that to the Board there are no other material reasons other than those provided in his resignation letter.

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 Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of programme for familiarization of Independent Directors with the Company, nature of the business segments in which the Company operates and related matters are put up on the website of the Company

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are the persons of high integrity and repute. They fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder and are independent of the management.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are the persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder and are independent of the management.

The Independent Directors have confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

Apart from above referred sole change, there was no change in the composition of Board during the current financial nor was a change in the employees from KMP category.

DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR

Sl. No.	Name	Designation	Date of Appointment	Date of Resignation
1.	Alakh V Deora	Independent Director	-	Jan 18, 2020

DECLARATION BY INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY

All the Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their liability to discharge their duties. Based on the declaration received from Independent Directors, the Board of Directors have confirmed that they meet the criteria of Independence as mentioned under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations and they are independent of the management.

EVALUATION OF DIRECTORS, BOARD AND COMMITTEES

The Nomination and Remuneration Committee (NRC) of the Company has devised a policy for performance evaluation of the individual directors, Board and its Committees, which includes criteria for performance evaluation.

Pursuant to the provisions of the Act and the Listing Regulations and based on policy devised by the NRC, the Board has carried out an annual performance evaluation of its own performance, its committees and individual directors. The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board composition and structure, effectiveness of Board and information provided to the Board, etc.

The performance of the committees was evaluated by the Board of Directors based on inputs received from all the committee members after considering criteria such as composition and structure of committees, effectiveness of committee meetings, etc.

Pursuant to the Listing Regulations, performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

A separate meeting of the Independent Directors was also held for the evaluation of the performance of non-independent Directors, performance of the Board as a whole and that of the Chairman of the Board.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, TRIBUNALS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

- The business of the Company is in sleeping mode since March 22, 2020 due to start of Lock-down in the Country as well as Maharashtra.
- The manufacturing activities have also been held up since then in our unit at Murbad, Dist. Thane, Maharashtra.

- The two big and reputed buyers viz. Raymonds and Siyaram have informed to us stop production for them and to cancel their ongoing as well as future orders, till the time, they communicate us in this regard.
- Even we are uncertain about the time period to be taken in receiving payments against exports orders to our foreign buyers.
- In the meanwhile the Company has received regulatory permission for start of its unit at Murbad but we are facing labour crunch as about 80% of our laborers have returned back to their villages, however we are trying to resolve labour issues.
- Even we are uncertain about the working of loom machines and other allied machines as these were also in sleeping mode since March 22, 2020. However we have started inspection of these machineries and tools and once we receive updates, will update members about the same, in due course.
- Our Banker, GSP Parsik Bank has informed us that the Bank is reviewing our Credit Limits and will communicate us about the same in due course.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the Annual Accounts for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. the directors had 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, 2020 and of the profit/(loss) of the Company for the year ended on that date;
3. that the Directors have taken proper and sufficient care 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;
4. the annual accounts have been prepared on a going concern basis;
5. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. that 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.

BUSINESS RISK MANAGEMENT

Business risks and mitigation plans are reviewed and the internal audit processes include evaluation of all critical and high risk areas. Critical functions are rigorously reviewed and the reports are shared with the Management for timely corrective actions, if any. The main focus of internal audit is to review business risks, test and review controls, assess business processes besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors, Statutory Auditors and Business Heads are periodically apprised of the internal audit findings and corrective actions.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and evaluates the recommendations of the Board. The Audit Committee suggests improvements and utilizes the reports generated from a Management Information System integral to the control mechanism.

However the Company is not required to constitute Risk Management Committee under Listing Regulations, 2015.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2020.

NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles,

philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel/Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company i.e. www.tunitextiles.com

INFORMATION TECHNOLOGY

Innovation and Technology are synonymous with the Company. The investment in technology acts as a catalyst and enables the Company to be innovative.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS

Statutory Auditors

Messrs DBS & Associates, Chartered Accountants, Mumbai (FRN – 081627N) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 32nd Annual General Meeting (AGM) of the Members held on September 27, 2019 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on September 27, 2019. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

Auditors' Report

The Auditors' Report to the Shareholders does not contain any reservation, qualification or adverse remark.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s G. S. Bhide & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in the form of MR-3 is annexed in this Annual Report as Annexure II.

Internal Auditors

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s D. Thakkar & Associates, Chartered Accountants, Mumbai (FRN 132824W). The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors 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.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit

Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2020 made under the provisions of Section 92(3) of the Act is attached as Annexure IV to this report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule, 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as under -

i	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	**Directors & KMP**	**Ratio**
		Narendra Kumar Sureka	2.49:1
		Pradeep Sureka	2.49:1
		Archit Sureka	2.52:1
		Mamta Jain	0.76:1
		1. The median remuneration of employees of the Company was ₹ 3,61,000/- 2. Figures has been rounded off wherever necessary	

ii	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	**Name**	**Designation**	**Increase %**
		Narendra Kumar Sureka	Managing director	0.00
		Pradeep Sureka	whole time director	0.00
		Archit Sureka	CFO	26.32
		Mamta Jain	CS	4.35

iii	the percentage increase in the median remuneration of employees in the financial year;	2.85%
iv	the number of permanent employees on the rolls of Company	88 employees as on 31.03.2020
v	the explanation on the relationship between average increase in remuneration and company performance;	The profit before tax for the financial year ended March 31, 2020 decreased by 251.62% whereas the increase in median remuneration was 2.85% in line with industry standard and the performance of the company
vi	comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The total remuneration of key Managerial Personnel increased by 9.41% from ₹ 29,85,972/- in 2019-20 to ₹ 27,29,000/- in 2018-19 whereas the Profit before Tax decreased by 251.62% to ₹ -11,21,665/- in 2019-20 (₹7,39,779/- in 2018-19)

vii	variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	**Particulars**	**31st March 2020**	**31st March 2019**
		Market Capitalization	248.20 Lakhs	640 Lakhs
		Price Earnings Ratio	-21.30%	40.83%
		Networth of the Company	12,17,41,511/-	12,47,56,638/-
		The Company has not raised money via Public Issue or Right Issue or Preferential Issue during the year.		

viii	Average percentile increase in salaries of employees other than managerial personnel	4.28%

ix	Comparison of each remuneration	**Particulars**	**31st March 2020**	**% of Change**	**Reason against performance of the company**

	of key managerial personnel against the performance of the company	Narendra Kumar Sureka	9,00,000/-	0.00%	Profit before tax decreased by 251.62% and profit after tax decreased by 291.29% in FY 2019-20
		Pradeep Kumar Sureka	9,00,000/-	0.00%	
		Archit Sureka	9,09,972/-	26.32%	
		Mamta Jain	2,76,000/-	4.35%	
x	The key parameters for any variable component of remuneration availed by the directors;				None
xi	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;				None
xii	Affirmation that the remuneration is as per the remuneration policy of the company.				Remuneration paid to all Employees is in accordance with the Remuneration Policy

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

ENVIRONMENT, HEALTH AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, this is to certify and declare that there was no case of sexual harassment during the year under review. Neither there was a case pending at the opening of Financial Year, nor has the Company received any Complaint during the year.

BUSINESS RESPONSIBILITY REPORT

As the Company is not among top 500 or 1000 Companies by turnover on Stock Exchanges, the disclosure of Report under of Regulation 34(2) of the Listing Regulations is not applicable to the Company for the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has earned sum of ₹ 47.79 Lakh (Equivalent to USD 69961.64) during the current financial year while outgo in foreign currency was Nil.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 73 of the Companies Act, 2013 and the rules there under.

MAINTENANCE OF COST RECORDS

The maintenance of cost records for the services rendered by the Company is not required pursuant to Section 148(1) of the Companies Act, 2013 read with Rule 3 of Companies (Cost Records and Audit) Rules, 2014.

STATUTORY INFORMATION

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 reported to be as under:

MURBAD UNIT- ELECTRICITY	2019-2020	2018-2019
Electricity Purchased [Units (KWH)]	**1233658**	1272166
Total Amount (₹)	**6552848**	4920923
Average Rate (₹)	**5.31**	3.87
Consumption Per Unit of Production		
Cloth Production (Meters)	**2471995**	2960185
Cost of Electricity Consumption (₹)/Meters	**2.65**	1.66

STATUTORY AUDITORS AND AUDITORS REPORT

The Company's Statutory Auditor, M/s DBS & Associates, Chartered Accountants, Mumbai (FRN - 081627N) was appointed as Statutory Auditor's for a period of five consecutive years at the 32nd AGM of the Company held on 27th September 2019 on remuneration to be determined by the Board of Directors.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, which came into effect from 7th May 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditor has been withdrawn from the Statute.

In view of the above, ratification of the Members for continuance of their appointment at this AGM is not being sought. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and have not been disqualified in any manner from continuing as Statutory Auditor. The remuneration payable to the Statutory Auditor shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

The Notes on Financial Statement referred in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer for the Financial Year 2019-20.

REPORT ON CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

GENERAL

Your Directors state that during Financial Year 2019-20:

- The Company has not issued any Equity Shares with differential rights as to Dividend, Voting or otherwise.
- The Company has not issued any Sweat Equity Shares during the year.
- There are no significant or material orders passed against the Company by the Regulators or Courts of Tribunals during the year ended March 31, 2020 which would impact the going concern status of the Company and its future operations.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Mumbai, July 24, 2020

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002.

Narendra Kumar Sureka
DIN : 01963265
Managing Director

MANAGEMENT DISCUSSIONS & ANALYSIS

MACRO ECONOMIC ENVIRONMENT

Global Economy

Global headwinds and challenges in the domestic financial sector moderated the growth of Indian economy in 2019-20. The real GDP growth moderated to 5.0 percent in 2019-20 as compared to 6.8 percent in 2018-19. Despite a temporary moderation in the Gross Domestic Product (GDP) growth in 2019-20, the fundamentals of Indian economy remain strong and GDP growth is expected to rebound from the first quarter of 2020-21. Fiscal situation remained close to the consolidation path and consumer price inflation was within the targeted limits set by the monetary policy committee of Reserve Bank of India (RBI). Despite continuing sluggishness in global demand the Current Account Deficit (CAD) narrowed to 1.5 percent of GDP in first half (H1) of 2019-20 from 2.1 percent in 2018-19. Global confidence in the Indian economy improved as reflected in growing inflows of net Foreign Direct Investment (FDI) and an all-time high accumulation of foreign exchange reserves of US$ 457.5 billion as in end December, 2019. India moving up by 14 positions to 63rd rank in 2019 World Bank's Ease of Doing Business 2020 Report, has among others, contributed to the increase in global confidence in Indian economy. India has emerged as an important player in the world on the back of high GDP growth and announcement/implementation of critical measures in the current year and last few years.

Indian Economy

The economic impact of the 2020 coronavirus pandemic in India has been largely disruptive. India's growth in the fourth quarter of the fiscal year 2020 went down to 3.1% according to the Ministry of Statistics. The Chief Economic Adviser to the Government of India said that this drop is mainly due to the coronavirus pandemic effect on the Indian economy. Notably India had also been witnessing a pre-pandemic slowdown, and according to the World Bank, the current pandemic has "magnified pre-existing risks to India's economic outlook".

The World Bank and rating agencies had initially revised India's growth for FY2021 with the lowest figures India has seen in three decades since India's economic liberalization in the 1990s. However after the announcement of the economic package in mid-May, India's GDP estimates were downgraded even more to negative figures, signalling a deep recession. (The ratings of over 30 countries have been downgraded during this period.) On 26 May, CRISIL announced that this will perhaps be India's worst recession since independence. State Bank of India research estimates a contraction of over 40% in the GDP in Q1 FY21. The contraction will not be uniform, rather it will differ according to various parameters such as state and sector.

INDIAN TEXTILE INDUSTRY

The coronavirus disease (COVID-19) is affecting every sphere of life including manufacturing activities, businesses, etc., across the globe and India is also not spared from the panic situation. The textile industry predominantly employs migrant workers from different States and also a large population comes for work from far off places using public transport.

Under the current scenario, especially the constant preventing measures being taken and awareness created by the Government to fight against the Coronavirus pandemic, majority of the workers are not reporting for work and the migrant workers are also returning to their native places. This situation is likely to intensify and result in mass stoppage of production in the industry.

With the expected steep reduction in demand due to sudden stoppage of exports/imports and also domestic sales due to the closure of malls and retail showrooms, the industry is likely to face unprecedented and severe losses and needs immediate financial relief to mitigate the crisis. Therefore, the textile industry, being labour and capital intensive, needs immediate help to tide over the worst ever crisis being faced by the industry.

India’s economic growth could take a hit of up to half a percentage point in FY21 because of the disruptions caused by the Covid-19 outbreak, early estimates by the government suggest. But independent economists see a deeper cut of up to one percentage point.

OPPORTUNITIES & THREATS

Opportunities

China’s reduced imports of cotton yarn from India are continuing and the trend is expected to continue in near future thus overall yarn demand is projected to remain lower. China, the largest importer of cotton yarn, has replaced India with Vietnam and Indonesia, as they have duty-free access. Further, Indian exports of cotton yarn are subject to a 4% duty in the EU, while Vietnam and Indonesia have a 3.2% tariff and least developed countries (LDCs) get duty-free access. Therefore such favored policy to some of the Asian countries and LDCs has made Indian market uncompetitive. The

Indian cotton spinning industry, which is already facing various problems, is now confronted with yet another challenge in the form of COVID-19 pandemic. Following shutdown of manufacturing units and weak downstream demand in both domestic and export markets the cotton yarn industry is staring at extremely challenging time this year. In the medium to long-term, it is expected that some demand from the US and the EU markets may shift gradually from China to other major garment manufacturers viz. Vietnam, Bangladesh, India and Cambodia.

Threats

Currently the biggest threat is COVID 19 and its impact. It is expected that overall textile business will be severely affected which would result in various job losses across the value chain.

First half of FY 21 is expected to be very tough and the second half is expected to give some relief to the business and the society in general if all the countries especially India is able to control the COVID 19 Pandemic.

The Cotton yarn prices do not move in tandem with that of cotton, as demand for cotton yarn is always over shadowed by higher supply. Cotton prices in India do not move in sync with international cotton prices, which makes hedging difficult. The rise in international trade and the consequent integration of domestic cotton markets with global markets expose the domestic stakeholders to international price fluctuations and the risks resulting therefrom. For Company's business, cotton is the key raw material/ commodity and the company is exposed to price variation in cotton. The Company has in place Commodity Risk Management Policy. The Company regularly monitors cotton prices and take appropriate decisions to minimize the risks. As regards foreign exchange risks, the Company evaluates foreign exchange rate exposure arising from these transactions and take appropriate steps to mitigate such exposure and to minimize the impact of volatility in foreign exchange fluctuations on the earnings.

RISKS AND CONCERNS

Tuni Textile Mills Ltd. (TUNI) has exposures in the business of Textile Segment. TUNI are exposed to specific risks that are particular to their respective businesses and the environments within which they operate, including market risk, competition risk, credit risk, liquidity and interest rate risk, human resource risk, operational risk, information security risks, regulatory risk and macro-economic risks. The level and degree of each risk varies depending upon the nature of activity undertaken by them.

LIQUIDITY AND INTEREST RATE RISK

The Company is exposed to liquidity risk principally, because of lending and investment for periods which may differ from those of its funding sources. Management team actively manages asset liability positions in accordance with the overall guidelines laid down by various regulators. The Company may be impacted by volatility in interest rates in India which could cause its margins to decline and profitability to shrink. The success of the Company's business depends significantly on interest income from its operations. It is exposed to interest rate risk, both as a result of lending at fixed interest rates and for reset periods which may differ from those of its funding sources. Interest rates are highly sensitive to many factors beyond the Company's control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and, inflation. As a result, interest rates in India have historically experienced a relatively high degree of volatility.

The Company seeks to match its interest rate positions of assets and liabilities to minimize interest rate risk. However, there can be no assurance that significant interest rate movements will not have an adverse effect on its financial position.

HUMAN RESOURCES

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process and management development programs to upgrade skills of managers.

Your Company believes in the potential of people to go beyond and be the game-changing force for business transformation and success. This potential is harnessed by fostering an open and inclusive work culture that enables breakthrough performance and comprehensive development of employees through the three pillars of Leading Self, Leading Teams and Leading Business.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provision of the Companies Act, 2013 relating to CSR Initiatives are not applicable to the Company.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a

pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Mumbai, July 24, 2020

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002

Narendra Kumar Sureka
DIN : 01963265
Managing Director

Annexure – I

DETAILS OF RELATED PARTY TRANSACTIONS

A. (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under the Notes to Financial Statements.

No material related party transactions arising from contracts/ arrangements with related parties referred to in the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

B. Disclosures pursuant to Regulation 34(3) & 53(f) and Para A of Schedule V of SEBI (LODR) Regulations, 2015

Sl. No.	In the Account of	Disclosures of amount at the year end and the maximum amount of loans/advances/Investments outstanding during the year.	Amount (₹ in Lakh)
1.	Holding Company	○ Loans and advances in the nature of loans to subsidiaries by name and amount	**Not Applicable**
		○ Loans and advances in the nature of loans to associates by name and amount	
		○ Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
2.	Subsidiary	○ Loans and advances in the nature of loans to subsidiaries by name and amount	
		○ Loans and advances in the nature of loans to associates by name and amount	
		○ Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
3.	Holding Company	○ Investment by the loanee in the shares of parent Company and subsidiary Company has made a loan or advance in the nature of loan.	

Mumbai, July 24, 2020

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002

Narendra Kumar Sureka
DIN : 01963265
Managing Director

Annexure II

SECRETARIAL AUDIT REPORT
FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2020
[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]

To
The Members,
Tuni Textile Mills Limited
Mumbai – 400 002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Tuni Textile Mills Ltd. (hereinafter called as 'the Company'). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020, complied with the applicable 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2020, according to the 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:

   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, as amended;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and

   i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

vi. Rules, regulations and guidelines issued by the Reserve Bank of India as per Reserve Bank of India Act, 1934 and its circulars, Master circulars, notifications, to the extent as applicable to Non-Deposit taking Non-Banking Financial Companies.

vii. Prevention of Money Laundering Act, 2002 and its circulars, notifications.

viii. Anti-Money Laundering Regulation issued by RBI and various circulars and Guidelines thereunder.

ix. Employee Laws –

- The Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972
- The Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975
- The Employees State Insurance Act, 1948
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & the scheme provided thereunder

x. The Maharashtra Shops and Establishment Act, 1948

xi. Applicable Labour Laws in India, as amended till date.

xii. The Employees State Insurance Act, 1948

xiii. The Negotiable Instrument Act, 1881

xiv. The Indian Stamp Act, 1899 and the State Stamp Acts

I have also examined compliance with the applicable clauses of the following:-

i. Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.

ii. Listing Agreements entered into by the Company with BSE Ltd. as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, rules, regulations, directions, guidelines, standards, etc. mentioned above.

I 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 including one woman director.

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 by the directors. The decisions were carried unanimously.

I 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.

I further report that during the audit period there was no other event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards.

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

For **G. S. BHIDE & ASSOCIATES**
Company Secretaries

Place: Mumbai
Date: August 14, 2020

GAYATRI V. PHATAK
Proprietor
C. P. No. 11816
UDIN: A031886B000617240

ANNEXURE - A

To
The Members
Tuni Textile Mills Limited
Mumbai – 400 002

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **G. S. BHIDE & ASSOCIATES**
Company Secretaries

GAYATRI V. PHATAK
Proprietor
C. P. No. 11816

Place: Mumbai
Date: August 14, 2020

UDIN: A031886B000617240

Annexure - III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
NONE; DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS.

a)	Name(s) of the related party and nature of relationship	:	N.A.
b)	Nature of contracts/arrangements/transactions	:	N.A.
c)	Duration of the contracts / arrangements/transactions	:	N.A.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	N.A.
e)	Justification for entering into such contracts or arrangements or transactions	:	N.A.
f)	Date(s) of approval by the Board	:	N.A.
g)	Amount paid as advances, if any	:	N.A.
h)	Date on which the Special Resolution was passed in General Meeting as required under first proviso to Section 188	:	N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis:
NONE; DURING THE REPORTING PERIOD, THERE WAS NO MATERIAL* CONTRACT OR ARRANGEMENT.

(*As defined under SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and adopted by the Board of Directors in the Related Party Transactions Policy of the Company, "Material Related Party Transaction" means a transaction with a related party if the transaction / transactions to be entered into individually or taken together with previous transactions during a Financial Year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the company.)

a)	Name(s) of the related party and nature of relationship	:	N.A.
b)	Nature of contracts/arrangements/transactions	:	N.A.
c)	Duration of the contracts / arrangements/transactions	:	N.A.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	N.A.
e)	Date(s) of approval by the Board	:	N.A.
f)	Amount paid as advances, if any	:	N.A.

Mumbai, July 24, 2020

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002

Narendra Kumar Sureka
DIN : 01963265
Managing Director

Annexure - IV

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT - 9

I. Registration & Other Details	
CIN	L17120MH1987PLC043996
Registration Date	06/07/1987
Name of the Company	Tuni Textile Mills Limited
Category / Sub-Category of the Company	Category : Company having Share Capital Sub-Category : Indian Non-Government Company
Address of the Registered Office and contact details	63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road Mumbai-400 002 Tel : +91 22 2201 4577, Fax : +91 22 2205 6350
Whether listed company	Listed Company
Name, address and contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Pvt. Ltd. No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011 Tel : +91 22 2301 8261 / 0771

II. Principal Business Activities of the Company		
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:		
Name and Description of main Businesses	**NIC Code of Business**	**% of Total Turnover of the Company**
Manufacturing of Grey Fabrics (Cotton and Cotton mixture Fabrics)	13121	98.74%

III. Details of Subsidiary / Associate / Holding Companies				
Name & Address of Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
Not Any	Not Applicable	Not Applicable	Not Applicable	Not Applicable

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	28382750	-	28382750	21.73	28382750	-	28382750	21.73	-
b) Central Govt. (s)	-	-	-	-	-	-	-	-	
c) State Govt. (s)	-	-	-	-	-	-	-	-	
d) Bodies Corporate	-	-	-	-	-	-	-	-	
e) Banks / FIs	-	-	-	-	-	-	-	-	
f) Any Other	-	-	-	-	-	-	-	-	
Sub Total A(1)	**28382750**	**-**	**28382750**	**21.73**	**28382750**	**-**	**28382750**	**21.73**	**-**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	
b) Other – Individuals	-	-	-	-	-	-	-	-	
c) Bodies Corporate	-	-	-	-	-	-	-	-	
d) Banks / FIs	-	-	-	-	-	-	-	-	
e) Any Other	-	-	-	-	-	-	-	-	
Sub Total A(2)									
Total Shareholding of Promoters (A1) + (A2)	**28382750**	**-**	**28382750**	**21.73**	**28382750**	**-**	**28382750**	**21.73**	**-**
B. Public Shareholding									
(1) Institutions	-	-	-	-	-	-	-	-	
a) Mutual Funds / UTI	-	494000	494000	0.38	-	494000	494000	0.38	-
b) Banks / FI	359	-	359	0.00	359	-	359	0.00	-

c) Central Govt. (s)	-	-	-	-	-	-	-	-	
d) State Govt. (s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	-	-	-	-	-	-	-	-	
g) FIIs	-	-	-	-	-	-	-	-	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (Specify)	-	-	-	-	-	-	-	-	
Sub Total B(1)	**359**	**494000**	**494359**	**0.38**	**359**	**494000**	**494359**	**0.38**	**-**
(2) Non-Institutions									
a) Bodies Corporate									
i. Indians	12269650	75000	12344650	9.45	10907873	75000	10982873	8.41	1.04
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual Shareholders holding nominal share capital up to ₹ 2 lakh	58027794	1083000	59110794	45.25	58916537	1101500	60018037	45.94	0.69
ii. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh	21665565	-	21665565	16.59	22502579	-	22502579	17.23	0.64
c) Others (Specify)									
i. HUF	2678802	-	2678802	2.05	2733251	-	2733251	2.09	0.04
ii. Clearing Members	629187	-	629187	0.48	123992	-	123992	0.09	0.39
iii. NRI	5319891	5000	5324891	4.08	5388157	5000	5393157	4.13	0.05
iv. LLP	2	-	2	-	2	-	2	-	-
Sub Total B(2)	**100590891**	**1163000**	**101753891**	**77.89**	**100572391**	**1181500**	**101753891**	**77.89**	**-**
Total Public Shareholding B = B(1) + B(2)	**100591250**	**1657000**	**102248250**	**78.27**	**100572750**	**1675500**	**102248250**	**78.27**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Grand Total (A+B+C)	**128974000**	**1657000**	**130631000**	**100.00**	**128955500**	**1675500**	**130631000**	**100.00**	**-**

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding during and at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
Prabhu Dayal Suareka	8,713,000	6.67%	Nil	8,713,000	6.67%	Nil	N.A.
Narendra Kr. Sureka	6,797,500	5.20%	Nil	6,797,500	5.20%	Nil	N.A.
Pradeep Kr Sureka	5,115,500	3.92%	Nil	5,115,500	3.92%	Nil	N.A.
Narendra Kr. Sureka, HUF	3,148,500	2.41%	Nil	3,148,500	2.41%	Nil	N.A.
Urmila Devi Sureka	1,633,750	1.25%	Nil	1,633,750	1.25%	Nil	N.A.
Annpurna Devi P Sureka	1,165,500	0.89%	Nil	1,165,500	0.89%	Nil	N.A.
Archit P Sureka	1,100,000	0.84%	Nil	1,100,000	0.84%	Nil	N.A.
Pradeep Kr Sureka, HUF	648,000	0.50%	Nil	648,000	0.50%	Nil	N.A.
Neha N Sureka	36,000	0.03%	Nil	36,000	0.03%	Nil	N.A.
Ruchi N Sureka	25,000	0.02%	Nil	25,000	0.02%	Nil	N.A.

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date of Changes	Reason for Changes
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		
At the beginning of the year	28382750	21.73	28382750	21.73	No Changes	
At the end of the Year	28382750	21.73	28382750	21.73		

iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date wise increase/ decrease in Shareholding	Shareholding during and at the end of the year	
	No. of	% of total		No. of	% of total

	Shares	shares of the Company		Shares	shares of Co.
Shilpa Agarwal	28,72,000	2.20	No Change	28,72,000	2.20
True Capital And Finance Pvt. Ltd.	20,78,000	1.59	No Change	20,78,000	1.59
Nectar Dealtrade Private Limited	20,33,105	1.57	No Change	20,33,105	1.56
Vijaya Devi	15,83,000	1.21	No Change	15,83,000	1.21
Mrigank Singhal	15,12,364	1.16	No Change	15,12,364	1.16
Hillview Impex Private Limited	14,60,500	1.12	No Change	14,60,500	1.12
Manav Agarwal, HUF	12,82,000	0.98	No Change	12,82,000	0.98
Rajesh Anchalwar	10,03,319	0.77	No Change	10,03,319	0.77
Madhavi Vemulapalli	9,63,000	0.74	No Change	9,63,000	0.74
Milind Jagannath Ambardekar	8,00,001	0.61	Refer Note 1 below	8,86,499	0.68

Note 1: The Equity Shares of the Company are frequently traded on BSE and the Company does not procure Beneficiary Positions (BENPOS) on daily basis from Depositories. Due to this, the Company is unable to provide details of date wise changes.

v) Shareholding of Directors and Key Managerial Personnel

For Each of Directors & KMP	Shareholding at the beginning of the year		Shareholding during the year and at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Narendra Kr. Sureka				
At the beginning of the year / at the end of year	6797500	5.20	6797500	5.20
Pradeep Kr. Sureka				
At the beginning of the year / at the end of year	5115500	3.92	5115500	3.92
Urmila Devi Sureka				
At the beginning of the year / at the end of year	1633750	1.25	1633750	1.25
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Not Applicable (As there is no change in Shareholding of any of the Directors and Key Managerial Person either at the beginning or at the end of year)			

V. INDEBTEDNESS

In Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans Excluding deposits ₹ in Lakh	Unsecured Loans ₹ in Lakh	Deposits ₹ in Lakh	Total Indebtedness ₹ in Lakh
Indebtedness at the beginning of the financial year				
i. Principal Amount	718.87	24.97	Nil	743.84
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	0.02	21.28	Nil	21.30
• Reduction	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i. Principal Amount	718.89	46.25	Nil	765.14
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	**718.89**	**46.25**	**Nil**	**765.14**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Particulars of Remuneration	Narendra Kr. Sureka (MD)	Pradeep Kr. Suareka (WTD)	Mamta Jain Co. Secretary	Archit P. Sureka CFO
1.	Gross Salary	₹ 9,00,000/-	₹ 9,00,000/-	₹ 2,76,000/-	₹ 9,09,972/-
2.	Value of Perquisites	₹ 21,600/-	₹ 21,600/-	Nil	₹ 21,600/-
3.	Stock Options	Nil	Nil	Nil	Nil
4.	Sweat Equity	Nil	Nil	Nil	Nil
5.	Commission	Nil	Nil	Nil	Nil
6.	Others (Please specify)	Nil	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty	No Instance				
Punishment					
Compounding					
B. Directors					
Penalty	No Instance				
Punishment					
Compounding					
C. Other Officers in Default					
Penalty	No Instance				
Punishment					
Compounding					

ANNEXURE TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalizations, widespread of shareholders, changing ownership structure, greater expectations, etc. have made a good Corporate Governance sin-quo-nun of modern management.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter–Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- ✓ Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- ✓ Timely disclosure of material operational and financial information to the stakeholders;
- ✓ Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- ✓ Systems and processes in place for internal control; and
- ✓ Proper business conduct by the Board, Senior Management and Employees.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Tuni Textile Mills Ltd. (Tuni) is as under:-

1. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. **Committees of the Board:** The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

BOARD OF DIRECTORS

Size and Composition of Board

The Board has five members with an Executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board. The Chairman of the Board is an Executive Director.

The composition and category of the Board of Directors as at March 31, 2020, the number of other Directorships/Committee memberships held by them and their other details are as under:

Name	Designation	DIN	Date of Joining Board	Committee Membership of other Listed	Committee Chairmanship of Other	No. of Directorship of other Listed

				Co.	Listed Co.	Co.
Mr. Narendra Kumar Sureka*	Managing Director	01963265	6th July 1987	Nil	Nil	Nil
Mr. Pradeep Kumar Sureka	Whole time Director	01632706	6th July 1987	Nil	Nil	Nil
Mrs. Urmila Devi Sureka	Non-Executive Director	02344028	23rd March 2015	Nil	Nil	Nil
Mr. Pramod Kumar Bajaj	Independent Director	01438374	1st Feb. 2005	Nil	Nil	Nil
Mr. Mahendra S Agarwal	Independent Director	01882316	14th Aug 2018	Nil	Nil	Nil

*Chairman of the Board

Notes:

a. None of the directors hold directorships in more than twenty companies of which directorship in public companies does not exceed ten in line with the provisions of Section 165 of the Act.

b. None of the directors hold membership of more than ten committees of board, nor, is a chairman of more than five committees across board of all listed entities.

c. No director holds directorship in more than seven listed entities.

d. None of the independent director holds the position of the independent director in more than seven listed companies as required under the Listing Regulations.

e. None of the director has been appointed as an Alternate Director for Independent Director.

f. The information provided above pertains to the following committees in accordance with the provisions of Regulation 26(1) (b) of the Listing Regulations: (i) Audit Committee; and (ii) Stakeholders Relationship Committee.

g. The committee membership and chairmanship above excludes membership and chairmanship in private companies, foreign companies and Section 8 companies.

h. Except Mr. Narendra Kr. Sureka, Mr. Pradeep Kr. Surena and Mrs. Urmila Devi Sureka, family members, no other Directors are related with each other.

CHAIRMAN AND MANAGING DIRECTOR

His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a successful organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company`s strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

Non-Executive Directors (including Independent Directors) play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgment.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

Disclosure of relationships between Directors inter-se

Shri Narendra Kr. Sureka, CMD is the brother of Shri Sunil Pradeep Kr. Sureka, Executive Non-Independent Director and husband of Mrs. Urmila Devi Sureka, wife and None-Executive Non-Independent Director on the Board.

Number of Shares and Convertible Instruments held by Non-Executive Directors

None of the Non-Executive Directors holds any share in the Company.

Role of the Company Secretary in Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible, to assist the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to Directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

BOARD INDEPENDENCE

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Regulation 16(b) of Listing Regulations. Further, none of the Independent Director is serving more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and draft of the same has been disclosed on website of the Company.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's calls the meeting as pre requirements of prevailing Act.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.

Roles, Responsibilities and Duties of the Board

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

Board Support

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

Board Diversity Policy

The Company has a Board approved policy on Board diversity. The objective of the policy is to ensure that the Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Board composition, as at present, broadly meets with the above objective.

Familiarization Programme for Directors

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, requirements of Listing Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also has one to one

discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on-going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

Details of Board Meetings

The Board of Directors met 7 times on 10th April, 30th May, 13th August, 13th November and 21st December in year 2019 and on 18th January and 13th February in year 2020 during the financial year 2019-2020.

Attendance of Board of Directors at the Board Meetings and at the last Annual General Meeting:

Name	Designation	Attendance at the AGM	Meetings Attended
Narendra Kumar Sureka*	Chairman & CEO	Yes	7
Pradeep Kumar Sureka	Executive Director	Yes	7
Mrs. Urmila Devi Sureka	Non-Executive Director	Yes	7
Pramod Kumar Bajaj	Independent Director	Yes	7
Mr. Mahendra S Agarwal	Independent Director	Yes	7
Mr. Alakh V. Deora	Independent Director	Yes	5

*Chairman of the Board

COMMITTEES OF THE BOARD

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall Management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Company has three Board Level Committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee

AUDIT COMMITTEE

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

In view of the amendments to the Listing Regulations and SEBI PIT Regulations, the Board amended the terms of reference of the Committee, effective from 1 April 2019.

These broadly include oversight of the Company's financial reporting process and disclosure of its financial information, review of financial statements, review of compliances and review of systems and controls, approval or any subsequent modification of transactions of the Company with related parties, review compliance with regulation 9A of the SEBI PIT Regulations, etc.

TERMS OF REFERENCE

The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee inter alia performs the functions to:

1. Review with the Company's Chief Financial Officer ('CFO'), the preparation, execution and results of the Company's annual internal audit work program;
2. Review the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

3. Review with the management, performance of statutory and internal auditors and review of adequacy of the internal control systems;
4. Discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
5. Discussion with internal auditors on any significant findings and follow up thereon;
6. Recommend appointment of Statutory, Internal and Cost Auditors and their remuneration;
7. Look after the risk assessment including fraud risk and risk guidelines governing the risk management process;
8. Review the management discussion and analysis of financial condition and results of operations;
9. Review statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
10. Review the internal audit reports relating to internal control weaknesses;
11. Scrutinize inter-corporate loans and investments;
12. Review the functioning of the Whistle blower mechanism; and
13. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

FUNCTIONS OF AUDIT COMMITTEE

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2020.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Chairman and Managing Director, Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Standalone Financial Results are made available on the website www.tunitextiles.com and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

INTERNAL CONTROLS AND GOVERNANCE PROCESSES

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

CONSTITUTION AND MEETINGS OF AUDIT COMMITTEE

During the FY 2019-20, there was no change in the composition of Audit Committee.

The members of Audit Committee met four times on dated 30th May, 13th August and 13th November in year 2019 and on 13th February in the year 2020 during the financial year ended on 31st March 2020.

Name	Position	Number of Meetings Held	Meetings Attended
Mr. Pramod Kumar Bajaj	Chairman	4	4
Mr. Narendra Kr. Sureka	Member	4	4

Mr. Mahendra S Agarwal	Member	4	4

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of three Non-executives, Independent Directors. All members of the Nomination and Remuneration Committee are financially literate and they have accounting or related financial management expertise. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

Terms of Reference

The broad terms of reference of the NRC, as approved by the Board, are in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations, which are as follows.

1. to help the Board in determining the appropriate size, diversity and composition of the Board;
3. to recommend to the Board appointment/ reappointment and removal of Directors and Senior Management;
4. to frame criteria for determining qualifications, positive attributes and independence of Directors;
5. to recommend to the Board, remuneration payable to the Directors and Senior Management (while fixing the remuneration to Executive Directors the restrictions contained in the Act is to be considered);
6. to create an evaluation framework for Independent Directors and the Board;
7. to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
8. to assist in developing a succession plan for the Board and Senior Management;
9. to assist the Board in fulfilling responsibilities entrusted from time-to-time;
10. delegation of any of its powers to any Member of the Committee or the Compliance Officer.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

PRINCIPLE AND RATIONALE

Section 178 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to –

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal
- carry out evaluation of every director's performance - formulate the criteria for evaluation of Independent Directors and the Board

Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of Tuni Textile Mills Limited herein below recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the directors, key managerial personnel and other employees of the Company as set out below:

Criteria of selection of Non-Executive Directors

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director –
  a. Qualification, expertise and experience of the Directors in their respective fields;
  b. Personal, Professional or business standing;
  c. Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & Managing Director – Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

- At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

GENERAL

This Policy shall apply to all future employment of Company's Senior Management including Key Managerial Personnel and Board of Directors.

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/ or the Board of Directors.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

Constitution and Meetings of Nomination & Remuneration Committee

The Nomination & Remuneration Committee re-constituted in the meeting of Board of Directors held on 18th January 2020 wherein Mr. Pradeep Kr. Sureka has been appointed as Member of the Committee in place of Mr. Alakh V Deora, who has resigned from the Committee and Board due to his personal reasons.

The Committee met three times during the year on dated 10th April and 30th May in year 2019 and on 18th January 2020 in year 2020; during the financial year ended on 31st March 2020.

The Composition of the Remuneration Committee and their attendance to the meetings of the committee are as under:

Name	Position	Number of Meetings Held	Meetings Attended
Mr. Pramod Kumar Bajaj	Member	3	3
Mr. Alakh V Deora	Chairman	2	2
Mr. Mahendra S Agarwal	Member/Chairman	3	3
Mr. Pradeep Kr. Sureka	Member	1	1

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee is constituted in line with the provisions of Regulation 20 of the SEBI LODR Regulations 2015, read with Section 178 of the Act and rules made thereunder.

Terms of Reference

The Board approved 'Terms of Reference' of the Committee of Directors (Stakeholders Relationship Committee) in compliance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. This Committee generally meets once a month. The Committee looks into the matters of Shareholders/Investors grievances along with other matters listed below:

1. to consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. to consider and approve demat/ remat of shares / split / consolidation / sub-division of share / debenture certificates;
3. to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfer and transmission of securities, etc.;
4. to oversee and review all matters connected with the transfer of the Company's securities;
5. to consider and approve opening/modification of operation and closing of bank accounts;
6. to grant special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi- Government Institutions;
7. to fix record date/book closure of share/debenture transfer book of the Company from time to time;
8. to appoint representatives to attend the General Meeting of other companies in which the Company is holding securities;
9. to change the signatories for availing of various facilities from Banks/Financial Institution;
10. to grant authority to execute and sign foreign exchange contracts and derivative transactions;
11. to monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
12. to review measures taken for effective exercise of voting rights by shareholders;
13. to review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
14. to review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
15. to assist the Board in reviewing and implementing policies under the Business Responsibility Reporting of the Company as may be delegated by the Board;
16. to carry out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Companies Act, 2013 and other applicable laws as amended from time to time; and
17. to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry (India) Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Committee of Directors (Stakeholders Relationship Committee) Meetings are circulated to the Board and noted by the Board of Directors.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

Compliance Officer

The Company has appointed Ms. Mamta Jain, Company Secretary as a Compliance Officer within the meaning of Regulation 6 of Listing Regulations.

Composition of Committee and Meetings attended

During the FY 2019-20, there was no change in the composition of Stakeholders' Relationship Committee.

During the year, four meetings of the Committee of Directors were held on 30th May, 13th August and on 13th November in year 2019 and on 13th February in year 2020, during the financial year ended on 31st March 2020.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Pramod Kr. Bajaj	Chairman	Independent, Non-Executive	4
Mr. Mahendra S Agarwal	Member	Independent, Non-Executive	4
Mr. Narendra Kr. Sureka	Member	Chairman & Managing Director	4

Details of Shareholders' Complaints

There was Nil Complaint pending at the beginning of the Financial Year. During the year the Company did not receive any compliant from any of the shareholders. Further, there was no pending complaint at the close of the financial year.

As required under Regulation 40(9) of Listing Regulations, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email id info@tunitextiles.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES on SEBI website for faster addressing and resolutions of Investor Complaints.

Independent Directors' Meeting

During the year under review, the Independent Directors met on February 13, 2020, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluate and assess the key transactions (including related party transactions) undertaken since the last independent directors meeting, and the assessment of the performance of the same;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties;
- Recommend measures for corporate governance; and
- Review recommendation from the last Independent Directors meeting.

All the Independent Directors were present at the Meeting.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings:

Annual General Meeting	Date & Time	Venue
32nd Annual General Meeting	27th September 2019, 3.30 PM	Hotel Golden Chariot, Viral Apartment, Opp. Shopper's Stop, S. V. Road, Andheri West, Mumbai, Maharashtra 400058

31st Annual General Meeting	25th September 2018, 2.30 PM	Ramee Guest Line Hotel, 462, A. B. Nair Road, Opp. Sun-N-Sand Hotel, Juhu, Vile Parle (W), Mumbai-400 049
30th Annual General Meeting	29th September 2017, 2.45 PM	Same as above

Location and time of Extra-Ordinary General Meetings:

No Extra-Ordinary General Meeting was being held during last three financial years.

POSTAL BALLOT

A Special Resolution has been passed on May 15, 2017 for sale of Plot No. B-4, Murbad Ind. Area, MIDC Murbad, Dist. Thane – 421 401 to meet its financial requirements.

An Ordinary Resolution has been passed on 13th December 2017 for regularization of appointment of M/s. Mehta Kothari & Associates Chartered Accountants, Mumbai as Statutory Auditors of the Company due to resignation of existing Auditors of the Company for the reason of their other assignments.

No Resolution has been passed during last two out of three financial years by way of Postal Ballot.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

SPECIAL RESOLUTION PASSED AT LAST THREE ANNUAL GENERAL MEETINGS:

No Special Resolutions were proposed or passed in last three Annual General Meetings.

BOARD DISCLOSURES

Compliance with Governance Framework

The Company is in compliance with all mandatory requirements under Listing Regulations, 2015.

STRICTURES AND PENALTIES

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets activities during the last three years.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is examined periodically by the Board and the Audit Committee.

DETAILS OF UTILISATION OF FUND RAISED

During the year, the Company has not raised any funds through preferential allotment, right issue or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

SEBI / STOCK EXCHANGE COMPLIANCE

The Company has complied with all requirements of the Listing Agreement entered into with Stock Exchanges and also SEBI Listing Regulations. Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

PREVENTION OF INSIDER TRADING

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time ("the PIT Regulations").

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Persons who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the PIT Regulations. A structured digital database is being maintained by the Company, which contains the names and other particulars as prescribed of the persons covered under the Codes drawn up pursuant to the PIT Regulations.

The Company has formulated the 'Policy on Procedure of Inquiry in case of leak / suspected leak of Unpublished Price Sensitive Information' ('UPSI'). The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

The Company has also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Practices and Procedures for Fair Disclosure of UPSI as per the requirements of the Insider Trading Regulations. The Company Secretary has been appointed as the Compliance Officer for ensuring implementation of the codes for fair disclosure and conduct. The Board, designated persons and other connected persons have affirmed compliance with the Code. This Code is displayed on the Company's website.

CREDIT RATINGS

Apart from Cash-Credit limits from Bank and vehicle financing, the Company has not borrowed any money from money market or from corporate entities, and has not raised any funds. Hence, disclosure pertaining to utilization of funds and Credit Rating is not applicable.

Compliance with the requirements of Corporate Governance

All the requirements of Corporate Governance specified in Regulation 17 to 27 of Listing Regulations and of sub-regulation (2) of Regulation 46 of Listing Regulations have been complied with.

Compliance of Regulation 34(3) and Para F of Schedule V of the Listing Regulations

As per Regulation 34(3) and Para F of Schedule V of the Listing Regulations, the details in respect of equity shares lying in Unclaimed Suspense Account' were/are Nil.

DISCLOSURES

(a) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.

(b) Attention to the members is drawn to the disclosures of transactions with the related parties set out in the Notes of Financial Statement.

(c) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.

(d) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 2015) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.

(e) **Reconciliation of Share Capital:** As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are Listed the audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management team are required to affirm semi-annual compliance of this Code. The Code requires

Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he/she occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a whistle blower policy encompassing vigil mechanism pursuant to the requirements of the section 177(9) of the Act and regulation 22 of the Listing Regulations. The Board of Directors, at its meeting held on 14th February 2019, revised whistle blower policy containing, inter alia, leak or suspected leak of unpublished price sensitive information in view of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, (SEBI PIT Regulations). The policy/vigil mechanism enables directors and employees to report to the Management their concerns about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and leak or suspected leak of unpublished price sensitive information.

This mechanism provides safeguards against victimization of directors/employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The policy has been appropriately communicated to the employees within the Organisation and has also been hosted on the Company's website viz. www.tunitextiles.com

COMPLIANCES REGARDING INSIDER TRADING

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has a Board approved code of conduct to regulate, monitor and report trading by insiders ('code of conduct') and a Code of Practices and Procedures for Fair Disclosure of unpublished price sensitive information ('code of fair disclosure').

During the year under review, SEBI amended the SEBI PIT Regulations. In view of the amendments to the said Regulations, the Board of Directors, at its meeting held on 14th February 2019, inter alia approved the following, with effect from 1 April 2019:

a. Revised code of conduct to regulate, monitor and report trading by Designated Persons;

b. Revised code of practices and procedures for fair disclosure of unpublished price sensitive information;

c. Revised whistle blower policy;

d. Institutional mechanism for prevention of insider trading; and

e. Amendment to the terms of reference of the Audit Committee.

The code of conduct and code of fair disclosure framed by the Company have helped in ensuring compliance with the requirements.

COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS

- The unaudited quarterly / half yearly / yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper and in local language (Marathi) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- The Company's financial results and official press releases are displayed on the Company's Website- www.tunitextiles.com.
- Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.
- Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.

- The Company also informs by way of intimation to BSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- A separate dedicated section under 'Investor Relation' on the Company's website gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.
- Sections 20 and 136 of the Act, read with the Companies (Accounts) Rules, 2014 permit companies to deliver the documents electronically to the registered email IDs of the members.

DISCLOSURES ON MANDATORY REQUIREMENTS

The Company has complied with the mandatory requirements of the Listing Regulations.

DISCLOSURES ON DISCRETIONARY REQUIREMENTS

The Company has also complied with the discretionary requirements as under:

A. The Board

A Chairman's office has been made available for the non–executive Chairman and he is allowed reimbursement of expenses incurred in performance of his duties.

B. Shareholder rights

The Company communicates all material events to its shareholders as and when it occurs.

C. Modified opinion(s) in the audit report

The Company confirms that its financial statements are with unmodified audit opinion.

D. Reporting of internal auditor

The internal auditor reports directly to the Audit Committee.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding Annual General Meeting for the financial year ended on 31st March 2020 is as follows :-

The 33rd Annual General Meeting for the financial year ended on 31st March 2020 will be held on Wednesday, September 23, 2020 at 3:00 PM (IST), through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

b. **Listing of Shares** : BSE Limited (BSE)

c. **Stock Code & ISIN** : BSE – 531411
ISIN – INE560D01027 on both NSDL & CDSL.

d. Listing Fees

Annual listing fee for the year 2020-21 shall be paid in due course by the Company to BSE.

As per the BSE Limited (BSE), BSE has extended the due date of payment for the Annual Listing Fees for FY 2020-21 up to 30th June 2020.

e. Depository Fees

Annual custody/ issuer fee for the year 2020-21 shall be paid in due course by the Company to NSDL and CDSL.

f. Financial Calendar

The financial year of the Company is from April 1 to March 31 each year.

g. Website

The Company's website www.tunitextiles.com contains a separate dedicated section called 'Investor Relations'. It contains comprehensive database of information of interest to our investors including the financial results, annual reports, dividends declared, if any, any price sensitive information disclosed to the regulatory authorities from time to time and the services rendered / facilities extended to our investors.

h. Future Calendar for next financial year :

Subject Matter	Tentative Dates
Financial Reporting of 1st Quarter ended on 30th June 2020	Mid of August, 2020
Financial Reporting of 2nd Quarter ended on 30th September 2020	Mid of November, 2020
Financial Reporting of 3rd Quarter ended on 31st December 2020	Mid of February 2021
Financial Reporting of 4th Quarter ended on 31st March 2021	During May 2021
Date of Annual General Meeting	During September 2021

i. Dividend Payment : No Dividend has been recommended for the year.

j. **Dividend History** : The Company has not paid any Dividend during last 10 years.

k. **Unclaimed Dividend / Share Certificates**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125.

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2020:

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount ₹	Due Date for transfer to IEPF Account
1.	N.A.	N.A.	N.A.	N.A.

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

l. Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

The Company has Nil Shares of Re. 1/- each in respect of Nil Shareholders, lying into Nil folio, in the demat account held with NSDL/CDSL.

m. Market Price Data (Equity Shares of Face Value of ₹ 1) :

Month	Price on BSE (₹) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April 2019	0.20	0.19	3,25,423	39487.45	38460.25
May 2019	0.20	0.19	1,82,200	40124.96	36956.10
June 2019	0.20	0.19	1,01,457	40312.07	38870.96
July 2019	0.22	0.19	7,79,201	40032.41	37128.26
August 2019	0.20	0.19	51,705	37807.55	36102.35

September 2019	0.20	0.19	1,69,605	39441.12	35987.80
October 2019	0.19	0.19	18,531	40392.22	37415.83
November 2019	0.19	0.19	70,622	41163.79	40014.23
December 2019	0.19	0.19	1,99,286	41809.96	40135.37
January 2020	0.20	0.19	43,950	42273.87	40476.55
February 2020	0.20	0.19	38,466	41709.30	38219.97
March 2020	0.19	0.19	10,919	39083.17	25638.90

n. Investors' correspondence may be addressed to the Registrar and Transfer Agent of the Company

Shareholders/ Investors are requested to forward documents related to share transfer, dematerialization requests (through their respective Depository Participant) and other related correspondences directly to M/s. Purva Sharegistry (India) Pvt. Ltd. at the below mentioned address for speedy response.

o. Registrar & Share Transfer Agent

M/s. Purva Sharegistry (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Purva Sharegistry (India) Private Limited

9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011
Tel : 022-23016761, Email: support@purvashare.com, Website : www.purvashare.com

p. Share Transfer System and Transfer of Shares

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

q. Consolidation of Folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

r. Review of Governance Practices

We have in this Report attempted to present the governance practices and principles being followed at the Company, as evolved over a period, and as best suited to the needs of our business and stakeholders.

Our disclosures and governance practices are continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognized practices of governance, so as to meet the expectations of all our stakeholders.

s. Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

t. Distribution Schedule as on 31st March 2020

Shareholding of Nominal Value of	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
Up to 5000	3990	64.56	7230285	5.53

5001-10000	870	14.08	7542003	5.77
10001-20000	532	8.61	8169382	6.25
20001-30000	218	3.53	5529170	4.23
30001-40000	115	1.86	4112851	3.15
40001-50000	113	1.83	5435660	4.16
50001-100000	168	2.72	13353050	10.22
100001 and Above	174	2.82	79258599	60.67
Total	**6180**	**100.00**	**130631000**	**100.00**

u. Shareholding Pattern with Categories of Shareholders as on 31st March 2020

Categories	No. of Shares	% of Shareholding
Promoters, Directors, Relatives & PAC	28382750	21.73
Indian Mutual Fund	494000	0.38
FII (Mauritius Based)	359	0.00
Private Corporate Bodies	10982873	8.41
Resident Individuals	82520616	63.17
Clearing Members	123992	0.09
NRIs	5393157	4.13
Hindu Undivided Families	2733251	2.09
LLP	2	0.00
Total	**130631000**	**100.00**

v. Details of Shareholders holding more than 5% holding under Public Category

Details of Shareholders holding more than 5% Equity Shares in the Company at the end of Financial Year ended on 31st March 2020 –

Name of Shareholder	No. of Shares Held	% of Shareholding
N. A.	Nil	Nil

w. Dematerialization of Equity Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

As on 31st March 2020, 98.36% public shareholdings of the Company are in dematerialized form.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

a) Demat account should be opened with a Depository Participant (DP).

b) Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.

c) DP will process the DRF and will generate a Dematerialization Request Number (DRN).

d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Purva Sharegistry (India) Private Limited.

e) RTA will process the DRF and confirm or reject the request to DP/ depositories

f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP

x. Important Points

Investors should hold securities in dematerialized form, as transfer of shares in physical form is no longer permissible.

As mandated by SEBI, w.e.f. April 1, 2019, request for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository except for transmission and transposition of securities.

Members are advised to dematerialize securities in the Company to facilitate transfer of securities.

Holding securities in dematerialized form is beneficial to the investors in the following manner:

- A safe and convenient way to hold securities;
- Elimination of risk(s) associated with physical certificates such as bad delivery, fake securities, delays, thefts, etc.;
- Immediate transfer of securities;
- No stamp duty on electronic transfer of securities;
- Reduction in transaction cost;
- Reduction in paperwork involved in transfer of securities;
- No odd lot problem, even one share can be traded;
- Availability of nomination facility;
- Ease in effecting change of address / bank account details as change with Depository Participants (DPs) gets registered with all companies in which investor holds securities electronically;
- Easier transmission of securities as the same is done by DPs for all securities in demat account;
- Automatic credit in to demat account of shares, arising out of bonus / split / consolidation / merger / etc.;
- Convenient method of consolidation of folios/accounts;
- Holding investments in Equity, Debt Instruments, Government securities, Mutual Fund Units etc. in a single account;
- Ease of pledging of securities; and
- Ease in monitoring of portfolio.

Members holding Shares in Physical mode:

a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI.

b) are advised to register the nomination in respect of their shareholding in the Company. Nomination Form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

c) are requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically.

Members holding Shares in Electronic mode:

a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.

b) are advised to contact their respective DPs for registering the nomination.

c) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

The Securities and Exchange Board of India vide its circular no. SEBI / HO / MIRSD / DOS3 / CIR / P / 2019 / 30 dated February 11, 2019, with a view to address the difficulties in transfer of shares, faced by non-residents and foreign nationals, has decided to grant relaxations to non-residents from the requirement to furnish PAN and permit them to transfer equity shares held by them in listed entities to their immediate relatives subject to the following conditions:

a) The relaxation shall only be available for transfers executed after January 1, 2016.

b) The relaxation shall only be available to non-commercial transactions, i.e. transfer by way of gift among immediate relatives.

c) The non-resident shall provide copy of an alternate valid document to ascertain identity as well as the non-resident status.

d) Non-Resident Indian members are requested to inform Purva Sharegistry (India) Private Limited, Company's Registrar and Transfer Agent immediately on the change in the residential status on return to India for permanent settlement.

y. Electronic Payment Services

Investors should avail the Electronic Payment Services for payment of dividend as the same reduces risk attached to physical dividend warrants. Some of the advantages of payment through electronic credit services are as under:

- Avoidance of frequent visits to banks for depositing the physical instruments;

- Prompt credit to the bank account of the investor through electronic clearing;
- Fraudulent encashment of warrants is avoided;
- Exposure to delays / loss in postal service avoided; and
- As there can be no loss in transit of warrants, issue of duplicate warrants is avoided.

Printing of bank account numbers, names and addresses of bank branches on dividend warrants provide protection against fraudulent encashment of dividend warrants. Members are requested to provide the same to the Company's Registrar and Transfer Agent (RTA) for incorporation on their dividend warrants.

z. Register for SMS alert facility

Investor should register with Depository Participants for the SMS alert facility. Both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) alert investors through SMS of the debits and credits in their demat account.

aa. Intimate Mobile Number

Shareholders are requested to intimate their mobile number and changes therein, if any, to Company's RTA viz. Purva Sharegistry (India) Private Limited to their dedicated e-mail id i.e., "support@purvashare.com.", if shares are held in physical form or to their DP if the holding is in electronic form, to receive communications on corporate actions and other information of the Company.

bb. Submit Nomination Form and avoid Transmission hassle

Nomination helps nominees to get the shares transmitted in their favour without any hassles. Investors should get the nomination registered with the Company in case of physical holding and with their Depository Participants in case shares are held in dematerialised form.

Form may be downloaded from the Company's website, under the section 'Investor Relations'. However, if shares are held in dematerialised form, nomination has to be registered with the concerned Depository Participants directly, as per the form prescribed by the Depository Participants.

cc. Deal only with SEBI registered intermediaries

Investors should deal only with SEBI registered intermediaries so that in case of deficiency of services, investor may take up the matter with SEBI.

dd. Corporate benefits in electronic form

Investor holding shares in physical form should opt for corporate benefits like bonus / split / consolidation / merger / etc. in electronic form by providing their demat account details to the Company's RTA.

ee. Register e-mail address

Investors should register their e-mail address with the RTA / Depository Participants. This will help them in receiving all communication from the Company electronically at their e-mail address. This also avoids delay in receiving communications from the Company. Prescribed form for registration may please be downloaded from the Company's website.

ff. Facility for a Basic Services Demat Account (BSDA)

SEBI has stated that all the depository participants shall make available a BSDA for the shareholders unless otherwise opted for regular demat account with (a) No Annual Maintenance charges if the value of holding is upto ₹ 50,000; and (b) Annual Maintenance charges not exceeding ₹ 100 for value of holding from ₹ 50,001 to ₹ 2,00,000. (Refer circular CIR/MRD/ DP/22/2012 dated August 27, 2012 and circular CIR/MRD/ DP/20/2015 dated December 11, 2015).

gg. For the Attention of Shareholders holding shares in electronic form

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

hh. Details on use of Public Funds Obtained in the last three years :

No Public Fund has been raised during last three financial years.

ii. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion data likely impact on Equity :

Not Any.

jj. Commodity Price Risk / Foreign Exchange Risk

For Company's business, cotton is the key raw material/ commodity and the company is exposed to price variation in cotton. Pursuant to SEBI circular dated November 15, 2018, bearing reference SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141, the Board has approved Commodity Risk Management Policy. The Company regularly monitors cotton prices and take appropriate decisions to minimize the risks. During the year under review, the Company has not done any commodity hedging on the exchanges. As regards foreign exchange risks, the Company evaluates foreign exchange rate exposure arising from these transactions and take appropriate steps to mitigate such exposure and to minimize the impact of volatility in foreign exchange fluctuations on the earnings.

kk. Investors' Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company:

Ms. Mamta Jain - cs@tunitextiles.com

ll. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

mm. Address for Correspondence

Tuni Textile Mills Limited
63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400002
Email: info@tunitextiles.com ; Tel: +91 22 2201 4577, Fax: +91 22 2205 6350

nn. Plant Location

Tuni Textile Mills Limited
B-5, MIDC Murbad, Dist. Thane (Maharashtra)

ANNUAL CERTIFICATE UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of **TUNI TEXTILE MILLS LIMITED**

As provided under Regulation 26(3) of the SEBI Listing Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with M/s. Tuni Textile Mills Limited Code of Business Conduct and Ethics for the year ended March 31, 2020.

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Mumbai, July 24, 2020

Narendra Kumar Sureka
DIN : 01963265
Managing Director

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C Sub clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Tuni Textile Mills Limited
Mumbai

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tuni Textile Mills Limited having CIN L17120MH1987PLC043996 and having Registered Office at 63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment / Re-appointment	Date of Cessation
1.	Mr. Narendra Kumar Sureka	01963265	6th July 1987	N. A.
2.	Mr. Pradeep Kumar Sureka	01632706	6th July 1987	N. A.
3.	Mrs. Urmila Devi Sureka	02344028	23rd March 2015	N. A.
4.	Mr. Pramod Kumar Bajaj	01438374	1st April 2019	N. A.
5.	Mr. Mahendra S Agarwal	01882316	14th Aug 2018	N. A.
6.	Mr. Alakh V. Deora	06889893	14th Aug 2018	18th January 2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **G. S. BHIDE & ASSOCIATES**
Company Secretaries

Place: Mumbai
Date: July 24, 2020

GAYATRI V. PHATAK
Proprietor
C. P. No. 11816
UDIN: A031886B000611509

CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Tuni Textile Mills Limited ("the Company") to the best of our knowledge and belief certify that:

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) We further state that to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee

  (i) significant changes, if any, in internal control over financial reporting during the year;

  (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For TUNI TEXTILE MILLS LIMITED

Archit P. Sureka
Chief Financial Officer

Mumbai, July 24, 2020

For TUNI TEXTILE MILLS LIMITED

Narendra Kumar Sureka
DIN : 01963265
Managing Director

Compliance Certificate from Auditors on Corporate Governance

The Members of TUNI **TEXTILE MILLS LIMITED**

1. We have examined the compliance of conditions of corporate governance by **Tuni Textile Mills Limited** (the 'Company') for the year ended 31st March 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') for the year ended March 31, 2020 as required by the Company for annual submission to the Stock Exchange.

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Register of Directors as on March 31,2020 and verified that at least one independent woman director was on the Board of Directors throughout the year;

   iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2019 to March 31,2020:

      a) Board of Directors;

      b) Audit Committee;

      c) Annual General Meeting (AGM)

      d) Nomination and Remuneration Committee;

      e) Stakeholders Relationship Committee;

   v. Verified the fee disclosures as required by Clause 10(k), Part C, Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. Obtained necessary declarations from the directors of the Company.

vii. Obtained and read the policy adopted by the Company for related party transactions.

viii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

ix. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 4 above.

Other matters and restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **DBS & Associates**
Chartered Accountants
FRN - 081627N

Place: Mumbai
Date: July 24, 2020

CA Roxy Teniwal
Partner
Membership No. 141538
UDIN: 20141538AAAAAJ2542

INDEPENDENT AUDITOR'S REPORT

To
The Members of
TUNI TEXTILE MILLS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying financial statements of **Tuni Textile Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matters

We draw your attention to the following matters:

Note 45 (a) and (b) to the financial statements which explain the uncertainties and management's assessment of the financial impact due to lockdown / restrictions related to the COVID-19 pandemic imposed by the Governments, for which a definitive assessment of the impact is dependent upon future economic conditions.

Note 45 (c) to the financial statements, the Company could not take balance confirmations from sundry debtors and creditors as at close of the year as due to lockdown the offices were closed and for non-availability concerned persons. Therefore the balances of sundry debtors and creditors are subject to confirmation and reconciliation.

Note no. 45 (d) to the financial statements, the management, due to lockdown, could not physically verify the inventories at the close of the year

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below the key audit matters to be communicated in our report

Key Audit Matters	How our Audit addressed the key Audit Matters
Appropriateness of revenue recognition on sale of goods. Refer note 2.2 and Note 25 of the financial statements.	Our audit procedures relating to revenue recognition include the following: a. Understood and performed procedures to assess the design and test the operating effectiveness of

The Company has revenue from sale of goods and sale of services. Revenue from sale of goods is recognised under IndAS 115- 'Revenue from Contracts with Customers' at a point in time when the control has been transferred, which generally coincides with dispatch of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales. Revenue from services is recognized by measuring progress towards satisfaction of performance obligation for the services rendered We determined this to be a key audit matter due to significant time and effort involved in assessing the appropriateness of revenue recognition and covering the aspects of completeness, accuracy, occurrence and cut off.	relevant controls related to recording of revenue. b. Assessed whether the policy of recognizing revenue was in line with Ind AS - 115. c. Tested the reconciliation of the amounts as per the sales register to the general ledger. d. Performed tests, on sample basis by validating the amounts recorded with the underlying documents which inter - alia includes invoices, dispatch documents, customer orders/ contracts, receipt of consideration from customers, where applicable. e. Performed cut off testing, on sample basis and ensured that the revenue from sale of goods is recognised in the appropriate period. Based on the above procedures performed, we did not identify any exceptions in revenue recognition on sale of goods.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that insufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014;

e) on the basis of written representations received from the directors as on 31 March 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020, from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements– Refer Note 34 to the financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and protection Fund by the Company; and

(iv) The disclosures requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

3. With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with schedule V of the Act.

For **DBS & Associates**
Chartered Accountants
FRN - 081627N

Place: Mumbai
Date: July 24, 2020

CA Roxy Teniwal
Partner
Membership No. 141538
UDIN: 20141538AAAAAJ2542

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TUNI TEXTILE MILLS LIMITED

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

In terms of information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. (a) The Company has maintained records showing full particulars, including quantitative details and situation of its fixed assets;

(b) We have been informed that the management has, at reasonable intervals during the year, physically verified major portion of the fixed assets. No material discrepancies, as represented to us, were noticed on such verification; and

(c) According to the representation made, and to the best of our knowledge and belief, the title deeds of immovable properties are held in the name of the company.

ii. As explained by the management, the inventories have not been physically verified at the close of the year by the management due to lockdown. In our opinion, the frequency of verification needs to be increased. However no material discrepancies, as represented to us, were noticed on verification of inventories during the year.

iii. The Company has, during the year, not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of clauses (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable;

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments, given any guarantee or provided any security in connection with a loan during the year. Therefore the provisions of section 185 and 186 of the Act have not been applicable to the Company;

v. the Company has not accepted any deposit from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable;

vi. the Central Government has not specified the maintenance of cost records under sub section 1 of Section 148 of the Act for any of the products of the Company for the year under audit;

vii. In case of in respect of Statutory Dues;

a) on the basis of books and records examined by us, the following undisputed statutory dues have delayed been deposited with the appropriate authorities:

Sr. No.	Nature	Amount in ₹	Due date	Date deposited on
a.	Provident Fund	19926	20/06/2019	04/07/2019
		19926	20/07/2019	13/08/2019
		19926	20/08/2019	23/08/2019
		19926	20/09/2019	26/09/2019
		19926	20/10/2019	04/11/2019
		19926	20/11/2019	30/12/2019
		19926	20/12/2019	31/12/2019
		20480	20/01/2020	02/03/2020
		19926	20/02/2020	02/03/2020
		18344	20/03/2020	06/08/2020
		16660	20/04/2020	06/08/2020
b.	Professional Tax	15775	30/04/2019	30/05/2019
		15775	31/05/2019	10/07/2019
		16575	30/06/2019	13/08/2019
		16500	31/07/2019	23/08/2019
		14425	31/08/2019	26/09/2019
		17225	30/09/2019	04/11/2019
		16000	31/10/2019	26/12/2019
		17600	30/11/2019	26/12/2019
		17975	31/12/2019	25/01/2020
		19275	31/01/2020	28/02/2020
		18525	29/02/2020	06/08/2020
		15000	31/03/2020	06/08/2020

c.	ESIC	6626	15/05/2019	30/12/2019
		5400	15/06/2019	30/12/2019
		4498	15/07/2019	30/12/2019
		3836	15/08/2019	30/12/2019
		3702	15/09/2019	30/12/2019
		4226	15/10/2019	30/12/2019
		3961	15/11/2019	30/12/2019
		3124	15/12/2019	30/12/2019
		2469	15/01/2020	02/03/2020
		2702	15/02/2020	02/03/2020
		3061	15/03/2020	06/08/2020
		1343	15/04/2020	06/08/2020

There are no arrears of undisputed statutory dues as at 31st March,2020 for the period of more than six months from the date they became payable; and

b) according to the information, the dues in respect of income tax , sales tax, service tax, goods and services tax w.e.f. 1 July 2017, duty of custom, duty of excise, value added tax that have not been deposited on account of any dispute with the appropriate authorities, where the disputes are pending, are as under:

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates*	Due date as per notice of demand
Income Tax Act	Interest	947334	1995-1996	10.05.2001
Income Tax Act	Interest	338640	1996-1997	19.09.2003
Income Tax Act	Interest	158134	1997-1998	19.09.2003

*Assessment Year

- For the above demands, as informed to us, the Company has filed waiver petitions before Chief Commissioner of Income Tax for waiver of interest, those petitions are pending to be heard;
- The waiver of above demands has been considered in scheme of rehabilitation by BIFR;
- The Company has represented before the Tax Recovery Officer, to give effect to the order of Honorable BIFR.

viii. on the basis of selective checks carried out during the course of audit, we are of the opinion that the Company has not defaulted in the repayment of loans or borrowing to banks There had been no dues payable to financial institution, Government, or debenture holders;

ix. according to the representation made, and to the best of our knowledge and belief the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans during the year.

x. according to the representation made, and to the best of our knowledge and belief, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit;

xi. according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act;

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company;

xiii. according to the representation made, and to the best of our knowledge and belief, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standards;

xiv. according to the representation made, and to the best of our knowledge and belief, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company;

xv. according to the representation made, and to the best of our knowledge and belief, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3 (xv) of the Order are not applicable to the Company; and

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and therefore, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For **DBS & Associates**
Chartered Accountants
FRN - 081627N

Place: Mumbai
Date: July 24, 2020

CA Roxy Teniwal
Partner
Membership No. 141538
UDIN: 20141538AAAAAJ2542

Annexure B to the Independent Auditor's Report

The Annexure referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March, 2020

Report on the Internal Financial Controls over financial reporting under section 143(3)(i) of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of **Tuni Textile Mills Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, 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 information, as required under the the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls System over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over Financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting to future periods are subject to the risk that the Internal Financial Control over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, adequate Internal Financial Control System over Financial Reporting and such Internal Financial Control over Financial Reporting were operating effectively as at 31 March 2020, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **DBS & Associates**
Chartered Accountants
FRN - 081627N

Place: Mumbai
Date: July 24, 2020

CA Roxy Teniwal
Partner
Membership No. 141538
UDIN: 20141538AAAAAJ2542

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

PARTICULARS	Note No.	As at March 31, 2020 ₹	As at March 31, 2019 ₹
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	3A	2,08,78,945	1,80,64,614
Intangible Assets	3B	19,946	41,612
Investment in Property	4	10,95,989	10,95,989
Financial Assets			
(i) Investments	5	5,00,000	5,00,000
(ii) Loans	6	6,21,165	6,21,165
(iii) Others	7	4,10,200	10,97,603
Deferred Tax Assets (Net)	8	65,32,909	84,55,066
Other Non-Current Assets	9	84,788	84,788
Total Non-Current Assets		**3,01,43,941**	**2,99,60,836**
CURRENT ASSETS			
Inventories	10	16,60,11,344	15,36,68,355
Financial Assets			
(i) Trade Receivables	11	9,17,28,267	12,55,57,146
(ii) Cash and Cash Equivalents	12	1,38,098	2,17,322
(iii) Other Financial Assets	13	6,49,512	8,28,475
Other Current Assets	14	2,41,39,048	2,38,80,582
Total Current Assets		**28,26,66,268**	**30,41,51,880**
TOTAL ASSETS		**31,28,10,209**	**33,41,12,716**
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Equity Share Capital	15	13,17,92,500	13,17,92,500
Other Equity	16	-1,00,50,989	-70,35,862
		12,17,41,511	**12,47,56,638**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
(i) Borrowings	17	55,02,141	11,84,320
Provisions	18	29,81,964	20,87,393
Total Non-Current Liabilities		**84,84,105**	**32,71,713**
CURRENT LIABILITIES			
Financial Liabilities			
(i) Borrowings	19	7,65,14,197	7,43,83,889
(ii) Trade Payables	20	9,97,97,858	12,59,44,766
(iii) Other Financial Liabilities	21	24,65,277	15,37,257
Other Current Liabilities	22	32,81,637	33,71,882
Provisions	23	8,02,164	6,71,640
Current Tax Liabilities (Net)	24	-2,76,540	1,74,930
Total Current Liabilities		**18,25,84,593**	**20,60,84,364**
TOTAL EQUITY & LIABILITIES		**31,28,10,209**	**33,41,12,716**
Contingent Liabilities and Commitments (To the extent not provided for)	34		
Significant Accounting Policies	2		
The accompanying notes form part of Financial Statements	1 to 46		

As per our Report of Even date

For DBS & Associates
Chartered Accountants
FRN- 081627N

Roxy Teniwal
Partner
Membership No: 141538

Mumbai, Date: July 24, 2020

For & on behalf of the Board

Narendra Kr. Sureka
Managing Director
(DIN: 01963265)

Pradeep Kr. Sureka
Whole Time Director
(DIN: 01632706)

Archit Sureka
CFO

Mamta Jain
Company Secretary

Standalone Statement of Profit & Loss for the Year ended March 31, 2020

PARTICULARS	Note No.	Year Ended March 31, 2020 (₹)	Year Ended March 31, 2019 (₹)
INCOME			
Revenue from Operations	25	25,50,10,212	34,75,48,486
Other Income	26	32,47,061	42,14,194
Total Revenue		**25,82,57,273**	**35,17,62,680**
EXPENSES			
Cost of Materials Consumed	27	4,48,29,722	4,99,61,243
Purchases of Stock-in-Trade	28	14,17,83,647	23,36,24,952
Changes in Inventories	29	-1,51,00,409	-2,14,38,349
Employee Benefits Expense	30	3,33,51,810	3,28,28,897
Finance Costs	31	1,04,33,185	1,00,02,938
Depreciation and Amortization Expense	3A & 3B	36,31,492	47,86,392
Other Expenses	32	4,04,49,493	4,12,56,829
Total Expenses		**25,93,78,939**	**35,10,22,902**
PROFIT BEFORE TAXATION		**11,21,665**	**7,39,779**
Extra-Ordinary Items		-	-
Profit before Tax		**-11,21,665**	**7,39,779**
TAX EXPENSES			
Current Tax		-	-
Deferred Tax Assets		1,92,620	-8,47,532
Tax adjustments for earlier years		17,22,076	-
Net Profit/(Loss) for the Year		**-30,36,361**	**15,87,311**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Re-measurement of post-employment benefit obligations		28,695	99,062
Less: Income tax relating to above item		7,461	25,756
Total other Comprehensive Income		**21,234**	**73,306**
Total Comprehensive Income for the period		**-30,15,127**	**16,60,617**
Earnings Per Equity Share:	33		
Basic and Diluted (FV of ₹ 1/- each, PY ₹ 1/- each)		-0.023	0.012
Contingent Liabilities and Commitments (To the extent not provided for)	34		
Significant Accounting Policies	2		
The accompanying notes form part of Financial Statements	1 to 46		

As per our Report of Even date

For DBS & Associates
Chartered Accountants
FRN- 081627N

Roxy Teniwal
Partner
Membership No: 141538

Mumbai, Date: July 24, 2020

For & on behalf of the Board

Narendra Kr. Sureka
Managing Director
(DIN: 01963265)

Pradeep Kr. Sureka
Whole Time Director
(DIN: 01632706)

Archit Sureka
CFO

Mamta Jain
Company Secretary

Statement of Cash Flow Annexed to the Balance Sheet for the Year ended March 31, 2020

PARTICULARS	Year Ended March 31, 2020 (₹)	Year Ended March 31, 2019 (₹)
A. Cash Flow from Operating Activities		
Net Profit before Tax and Extra-Ordinary Items	-11,21,665	7,39,779
Adjustments for		
Interest Received	-31,87,061	-41,54,194
Dividend Received	-60,000	-60,000
Depreciation & Amortization Expenses	36,31,492	47,86,392
Profit/(Loss) on Sale of Fixed Assets	-	48,995
Interest Expenses	104,33,185	1,00,02,938
Operating Profit before Working Capital changes	**96,95,950**	**1,13,63,910**
Adjustments for Working Capital Changes		
Trade & Other Receivables	344,36,779	-6,32,56,172
Inventories	-123,42,989	-2,80,39,664
Trade Payables	-261,46,907	8,85,09,420
Other Payables	17,55,594	23,98,321
Cash Generated from Operations	**73,98,428**	**1,09,75,816**
Direct Taxes Paid	-4,51,470	-5,22,834
Net Cash From Operating Activities	**69,46,958**	**1,04,52,982**
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets	-64,24,157	-32,08,169
Sale of Fixed Assets	-	1,00,000
Interest / Other Income	31,87,061	41,54,194
Dividend Received	60,000	60,000
Net Cash from Investing Activities	**-31,77,096**	**11,06,025**
C. Cash Flow from Financing Activities		
Proceeds from issue of Equity Shares (including Premium)	-	-
Re-payment of Long-Term Borrowings	44,53,791	-5,37,199
Re-payment of Short-Term Borrowings	21,27,874	-2,68,613
Change in Working Capital borrowing from Bank	2,434	-7,34,040
Interest Paid	-104,33,185	-100,02,938
Net Cash used in Financing Activities	**-38,49,087**	**-115,42,791**
Net Increase in Cash & Cash Equivalents (A+B+C)	**-79,225**	**16,216**
Opening Balance of Cash & Cash Equivalents	2,17,322	2,01,106
Closing Balance of Cash & Cash Equivalents	1,38,097	2,17,322

Notes on Cash Flow Statement:

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 on "Statement of Cash Flow" notified u/s 133 of Companies Act, 2013 ("Act") read with relevant rules issued thereunder and the relevant provisions of the Act.
2. **Change in Liabilities arising from Financing Activities:**

Particulars	Non-Current Borrowing	Current Borrowing
Balance as at 31st March 2018	-11,09,888	753,86,543
Net Cash Flows	-5,37,199	-10,02,653
Balance as at 31st March 2019	-16,47,087	743,83,889
Net Cash Flows	44,53,791	21,30,307
Balance as at 31st March 2020	28,06,704	765,14,197

3. All the figures in brackets are Outflows
4. Previous year's figures have been regrouped wherever necessary.

Contingent Liabilities and Commitments (To the extent not provided for)	34
Significant Accounting Policies	2
The accompanying notes form part of Financial Statements	1 to 46

As per our Report of Even date
For DBS & Associates
Chartered Accountants
FRN- 081627N

For & on behalf of the Board

Narendra Kr. Sureka
Managing Director
(DIN: 01963265)

Pradeep Kr. Sureka
Whole Time Director
(DIN: 01632706)

Roxy Teniwal
Partner
Membership No: 141538
Mumbai, Date: July 24, 2020

Archit Sureka
CFO

Mamta Jain
Company Secretary

Statement of Changes in Equity for the Year ended March 31, 2020

PARTICULARS	₹
A. Equity Share Capital	
Balance as at March 31, 2018	13,17,92,500
Changes during the year	-
Balance as at March 31, 2019	**13,17,92,500**
Balance as at March 31, 2019	13,17,92,500
Changes during the year	-
Balance as at March 31, 2020	**13,17,92,500**

B. Other Equity

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserves	Retained Earnings		
Balance at the Opening of Reporting Period i.e. 1st April 2018	45,00,000	75,85,627	-210,86,480	3,04,374	-86,96,479
Profit for the Year	-	-	15,87,311	-	15,87,311
Other Comprehensive Income for the Year*	-	-	-	73,306	73,306
Balance at the end of Reporting Period i.e. 31st March 2019	**45,00,000**	**75,85,627**	**-194,99,169**	**3,77,680**	**-70,35,862**
Balance at the Opening of Reporting Period i.e. 1st April 2019	45,00,000	75,85,627	-194,99,169	3,77,680	-70,35,862
Profit for the Year	-	-	-30,36,361	-	-30,36,361
Other Comprehensive Income for the Year*	-	-	-	21,234	21,234
Balance at the end of Reporting Period i.e. 31st March 2020	**45,00,000**	**75,85,627**	**-225,35,530**	**3,98,914**	**-100,50,989**

*Movement in other comprehensive income relates to re-measurements of the net defined benefit plans

Nature of Reserves:

a) Securities Premium Reserve: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

b) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to other reserve, dividends or other distributions paid to shareholders.

c) Capital Reserve: The reserve is utilised in accordance with the provision of the Companies Act, 2013.

Contingent Liabilities and Commitments (To the extent not provided for)	34
Significant Accounting Policies	2
The accompanying notes form part of Financial Statements	1 to 46

As per our Report of Even date
For DBS & Associates
Chartered Accountants
FRN- 081627N

Roxy Teniwal
Partner
Membership No: 141538

Mumbai, Date: July 24, 2020

For & on behalf of the Board

Narendra Kr. Sureka
Managing Director
(DIN: 01963265)

Pradeep Kr. Sureka
Whole Time Director
(DIN: 01632706)

Archit Sureka
CFO

Mamta Jain
Company Secretary

TUNI TEXTILE MILLS LIMITED

Notes to the financial statements for the year ended 31st March 2020

Note 1: CORPORATE INFORMATION

Tuni Textile Mills Limited ("the Company") is a public limited Company domiciled in India with its registered office 63/71 Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400002. The Company is listed on the Bombay Stock Exchange (BSE). The Company is manufacturer of Grey fabrics.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

2.1) BASIS OF PREPARATION

A) Statement of Compliance

a) These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b) The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

c) The financial statements of the Company for the year ended 31st March, 2020 were approved for issue in accordance with the resolution of the Board of Directors on 24th July, 2020.

B) Basis of Measurement

These financial statements are prepared under the historical cost convention, except for the following:

a) Certain financial assets and liabilities that are measured at fair value (refer- Accounting policy regarding financials instruments).

b) Defined benefit plans –present value of defined benefit obligation unless otherwise indicated.

C) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

D) Use of Estimates

a) The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities prospectively.

b) Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

i) Measurement of defined benefit obligations - Note 18.

ii) Measurement and likelihood of occurrence of provisions and contingencies - Note 18 & 23 and 34.

iii) Recognition of deferred tax liabilities - Note 8.

E) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the note 39.

2.2) REVENUE RECOGNITION

The Company derives revenues primarily from sale of manufactured goods.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the retrospective effect method. The adoption of the new standard did not have a material impact on the Company.

Sale of Goods

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Sale of Services

Revenue from services is recognized by measuring progress towards satisfaction of performance obligation for the services rendered.

Other operating revenue - Export incentives

The benefits, on account of entitlement to import duty free raw material under the Advance License Scheme in respect of goods already exported, are not valued and brought into the books in the year of export. The raw materials are recorded at cost at which they are procured in the year of import.

The benefits under FMS/FPS/Incremental Export Incentivisation Scheme and Duty Drawback Scheme are recognized when the exports are made.

2.3) EMPLOYEE BENEFITS

a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, bonus, ex gratia, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

b) Post-Employment Benefits

Defined Contribution Plans

Obligations for contributions to defined contribution plans such as Provident Fund maintained with Regional Provident Fund Office and Employees State Insurance Corporation ('ESIC') are expensed as the related service is provided.

Defined Benefit Plans

The following post – employment benefit plans are covered under the defined benefit plans:

- Gratuity Fund

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

c) Other Long-Term Employee Benefits

Compensated Absences

The Company does not have any leave encashment policy. Further any unutilized leave at the end of the year is lapsed and not eligible for carry forward.

2.4) FOREIGN CURRENCY TRANSACTIONS AND TRANSCLATION

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items (assets and liabilities) are restated using the exchange rate prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to finance costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

2.5) ACCOUNTING FOR TAXES ON INCOME

Income tax expense for the period comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

2.6) PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of profit and loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

2.7) INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.8) INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

2.9) DEPRECIATION

Depreciation on Property, Plant & Equipment is provided on straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. In the case of revalued assets, depreciation is calculated on straight line method on the revalued amounts as determined by the valuer.

Depreciation on Property, Plant & Equipment added/disposed off/discarded during the period has been provided on the pro-rata basis with reference to the date of addition/disposal/discarding.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

2.10) AMORTIZATION

Intangible assets (Application Software) acquired by the Company are amortised on a straight line basis over its useful life i.e. three years, as decided by the management.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

2.11) BORROWING COSTS

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

2.12) LEASES

Policy applicable before 1st April 2019

Where the Company has substantially acquired all risks and rewards of ownership of the assets, leases are classified as financial lease. Such assets are capitalized at the inception of the lease, at the lower of the fair value or present value of minimum lease payment and liability is created for equivalent amount. Each lease payment is allocated between liability and finance cost so as to obtain constant periodic rate of interest on the outstanding liability for each period. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired/given under leases other than finance leases are classified as operating leases. Operating lease payments/receivable are recognised as an expense/income in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

Policy applicable from 1st April 2019

As a lessee:

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: i) the contract involves the use of an identified asset ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and iii) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

As a lessor:

Leases for which the Company is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.

All other leases are classified as operating leases.

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Standalone Balance Sheet based on their nature. Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Standalone Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

2.13) PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions are recognized when the Company has a present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. The company does not recognize a contingent liability but discloses its existence in the financial statement.

Contingent assets are neither recognized nor disclosed in the financial statements.

2.14) IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash generating units ("CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

2.15) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all years presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16) INVENTORIES

Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for. Materials-in-process are valued at raw material cost and estimated cost of conversion. Cost of

finished goods includes conversion and other costs incurred in bringing the inventories to their present location and condition

Cost of Inventories is computed on FIFO basis. Goods in transit, if any, are stated at actual cost incurred up to the date of balance sheet.

2.17) FINANCIAL INSTRUMENTS

I. FINANCIAL ASSETS

A) Initial Recognition And Measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset. Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B) Classification And Subsequent Measurement

a) **Amortised cost:** A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Fair value through other comprehensive income (FVOCI):** A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Fair value through profit and loss (FVTPL):** A financial asset which is not classified in any of the above categories is measured at FVTPL.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

C) Cash And Bank Balances

i. **Cash and Cash Equivalents** which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of 3 months or less from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

ii. **Other Bank Balances** which includes balances and deposits with banks that are restricted for withdrawal and usage.

D) Equity Instruments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E) Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

F) Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

G) Impairment of Financial Asset

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, security deposits, bank deposits and bank balance.

b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

H) Income recognition

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Dividend Income

Dividend income from investments is recognised when the right to receive payment has been established.

II. FINANCIAL LIABILITIES

A) Initial Recognition And Measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

B) Classification And Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

C) De-Recognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

III. Offsetting of Financial Assets and Financial Liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Schedule 3A : Property, Plant & Equipment

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	Cost as on April 1, 2019	Additions During the Year	Deductions for the Year	Cost as on March 31, 2020	Up to March 31, 2019	For the Year	Written back for the Year	Up to March 31, 2020	As on March 31, 2020
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets									
Leasehold Land	1,98,853	-	-	1,98,853	9,714	3,246	-	12,960	1,85,893
Right of Use	-	20,32,571	-	20,32,571	-0	8,94,496	-	8,94,496	11,38,075
Factory Building	50,76,201	-	-	50,76,201	19,16,674	6,69,782	-	25,86,456	24,89,744
Office Premises	7,30,815	-	-	7,30,815	52,378	17,506	-	69,884	6,60,931
Plant & Machinery	251,32,702	-	-	251,32,702	144,58,795	12,79,389	-	157,38,183	93,94,519
Electrical Equipments	8,16,878	-	-	8,16,878	4,00,408	1,10,196	-	5,10,604	3,06,274
Furniture & Fixtures	15,113	-	-	15,113	10,607	3,119	-	13,726	1,387
Office Equipments	4,26,196	-	-	4,26,196	1,99,259	56,040	-	2,55,299	1,70,897
Computers	5,83,110	-	-	5,83,110	2,98,875	93,650	-	3,92,525	1,90,584
Vehicles	29,07,776	43,91,586	-	72,99,362	4,76,318	4,82,404	-	9,58,722	63,40,640
Total as on 31-03-2020	**358,87,643**	**64,24,157**	**-**	**423,11,800**	**178,23,029**	**36,09,827**	**-**	**214,32,856**	**208,78,944**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	Cost as on April 1, 2018	Additions During the Year	Deductions for the Year	Cost as on March 31, 2019	Up to March 31, 2018	For the Year	Written back for the Year	Up to March 31, 2019	As on March 31, 2019
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets									
Leasehold Land	1,98,853	-	-	1,98,853	6,476	3,238	-	9,714	1,89,139
Right of Use	-	-	-	-	-0	-	-	-0	0
Factory Building	50,76,201	-	-	50,76,201	12,48,721	6,67,953	-	19,16,674	31,59,526
Office Premises	7,30,815	-	-	7,30,815	34,920	17,458	-	52,378	6,78,437
Plant & Machinery	2,23,52,702	27,80,000	-	2,51,32,702	1,11,17,287	33,41,508	-	1,44,58,795	1,06,73,908
Electrical Equipments	8,16,878	-	-	8,16,878	2,66,827	1,33,581	-	4,00,408	4,16,470
Furniture & Fixtures	15,113	-	-	15,113	7,071	3,536	-	10,607	4,506
Office Equipments	2,79,214	1,46,982	-	4,26,196	1,50,573	48,686	-	1,99,259	2,26,937
Computers	3,51,922	2,31,187	-	5,83,110	1,65,588	1,33,287	-	2,98,875	2,84,234
Vehicles	35,17,597	50,000	6,59,821	29,07,776	5,61,693	4,25,451	5,10,826	4,76,318	24,31,458
Total as on 31-03-2019	**3,33,39,296**	**32,08,169**	**6,59,821**	**3,58,87,643**	**1,35,59,157**	**47,74,698**	**5,10,826**	**1,78,23,029**	**1,80,64,615**

3A(i) Security

Property, plant and equipment are hypothecated /pledged against borrowings refer note 17 & 19

Schedule 3B : Intangible Assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	Cost as on April 1, 2019	Additions During the Year	Deductions for the Year	Cost as on March 31, 2020	Up to March 31, 2019	For the Year	Written back for the Year	Up to March 31, 2020	As on March 31, 2020
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Intangible Assets									
Software	65,000	-	-	65,000	23,388	21,665	-	45,053	19,048
Total as on 31-03-2020	**65,000**	**-**	**-**	**65,000**	**23,388**	**21,665**	**-**	**45,053**	**19,048**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK
	Cost as on April 1, 2018	Additions During the Year	Deductions for the Year	Cost as on March 31, 2019	Up to March 31, 2018	For the Year	Written back for the Year	Up to March 31, 2019	As on March 31, 2019
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets									
Software	65,000	-	-	65,000	11,694	11,694	-	23,388	41,612
Total as on 31-03-2019	**65,000**	**-**	**-**	**65,000**	**11,694**	**11,694**	**-**	**23,388**	**41,612**

Note 4: INVESTMENT IN PROPERTY		
Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Immovable Properties* [refer note no.34(b)(i)]	9,52,500	9,52,500
Gold coin (50gms) #	1,43,489	1,43,489
TOTAL	**10,95,989**	**10,95,989**
* Residential flat has not been completed, hence depreciation has not taken. Uncalled and unpaid amt. is ₹ 1422500.		
# Since fair value is higher than carring value, therefore impairment/depreciation not required to be provided.		
Fair Value of Gold Coin (50 gms.)#	**2,16,255**	**1,63,300**

Note 5: INVESTMENTS			
Particulars	No. of Shares	As at March 31, 2020	As at March 31, 2019
		₹	₹
Investments measured at Fair Value Through Profit & Loss			
In Equity Shares (Un-quoted)			
G.P. Parsik Bank*** (10000 equity shares having face value of ₹ 50/- each)	10,000	5,00,000	5,00,000
Total		**5,00,000**	**5,00,000**
*** Since the shares have been conditionally allotted as per sanction letter and these are not saleable in the market. The bank will buy the same at the carrying value on repayment of financial facilities; therefore no fair value of this investment has been taken into account.			
Aggregate amount of Unquoted Investments		5,00,000	5,00,000
Aggregate provision for diminution in the value of Investments		-	-

Note 6: NON-CURRENT LOANS		
(Unsecured, considered good unless otherwise stated)		
Security Deposits	6,21,165	6,21,165
TOTAL	**6,21,165**	**6,21,165**

Note 7: OTHER NON-CURRENT FINANCIAL ASSETS		
(Unsecured, considered good unless otherwise stated)		
Long term deposits with banks having maturity more than 12 months	4,10,200	10,97,603
TOTAL	**4,10,200**	**10,97,603**

Note 8: DEFERRED TAX ASSETS (Net)		
Deferred Tax Liabilities		
Others	-	-
Deferred Tax Assets		
Difference between book and tax depreciation	8,35,418	14,19,420
MAT Credit Entitlement*	23,49,228	40,71,304
Gratuity	9,74,591	7,10,381
Business Losses	14,64,939	14,08,664
Deferment of Allowances-Provision for debtors	3,05,596	2,66,918
Deferment of Allowances	6,03,137	5,78,379
TOTAL	**65,32,909**	**84,55,066**
*As per Ind AS 12, the Company has considered MAT entitlement credit as deferred tax asset being unused tax credit entitlement.		

The movement in Deferred Tax Assets and Liabilities during the year ended March 31, 2020 and March 31, 2019:

Particulars	As at 01.04.2018 Deferred Tax (Liabilities)/ Asset	(Charge)/Credit in statement of Profit and Loss	As at 31.03.2019 Deferred Tax (Liabilities)/ Asset	(Charge)/Credit in statement of Profit and Loss	As at 31.03.2020 Deferred Tax (Liabilities)/ Asset
Depreciation and amortization	14,29,650	(10,230)	14,19,420	(5,84,002)	8,35,418
MAT Credit Entitlement*	39,09,911	1,61,393	40,71,304	(17,22,076)	23,49,228
Gratuity	6,81,160	29,221	7,10,381	2,64,210	9,74,591
Business Losses	7,34,894	6,73,770	14,08,664	56,275	14,64,939
Deferment of Allowances- Provision for Debtors	2,48,646	18,272	2,66,918	38,678	3,05,596
Deferment of Allowances	4,67,636	1,10,743	5,78,379	24,758	6,03,137

Note 9: OTHER NON-CURRENT ASSETS		
Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Advance for Capital Goods	-	-
Security Deposits	84,788	84,788
TOTAL	**84,788**	**84,788**

Note 10: INVENTORIES		
(Refer Note 2.17)		
Raw Materials and components	3,30,94,880	3,59,58,300
Work-in-progress	31,44,960	31,75,200
Finished goods	12,23,26,104	10,71,95,455
Stores and spares	74,45,400	73,39,400
TOTAL	**16,60,11,344**	**15,36,68,355**

Note 11: TRADE RECEIVABLES		
Unsecured, considered good		
Considered good	9,29,03,635	12,65,83,752
Considered doubtful	-	-
	9,29,03,635	**12,65,83,752**
Less: Allowance for doubtful trade receivables	11,75,368	10,26,606
TOTAL	**9,17,28,267**	**12,55,57,146**

Note 12: CASH AND BANK BALANCES		
Cash and Cash equivalents		
Balances with Bank	20,393	4,776
Cash on hand	1,17,705	2,12,546
TOTAL	**1,38,098**	**2,17,322**

Note 13: OTHER CURRENT FINANCIAL ASSETS		
Unsecured, considered good		
Interest accrued but not due on fixed deposits	3,53,396	6,32,359
Others	2,96,116	1,96,116
TOTAL	**6,49,512**	**8,28,475**

Note 14: OTHER CURRENT ASSETS		
(Unsecured, considered good unless otherwise stated)		
Advance to Staff	1,88,593	1,80,628
Advance to suppliers	1,87,42,703	1,78,97,260
Sales Tax Receivable	-	1,45,256
Security Deposits	1,21,878	1,21,878
GST Receivable	49,47,533	54,22,709
Prepaid expenses	1,38,341	1,12,851
TOTAL	**2,41,39,048**	**2,38,80,582**

Note 15: EQUITY

Particulars	As At March 31, 2020		As At March 31, 2019	
	Number	Amount (₹)	Number	Amount (₹)
Authorised:				
Equity Shares of ₹ 1/- each	13,50,00,000	13,50,00,000	13,50,00,000	13,50,00,000
Issued, Subscribed & Paid-up				
Equity Shares of ₹ 1/- each	13,06,31000	13,06,31000	13,06,31000	13,06,31000
Add: Forfeited Shares (amount originally paid up in respect of 2,27,500 shares)		11,61,500		11,61,500
TOTAL	**13,06,31000**	**13,17,92,500**	**13,06,31000**	**13,17,92,500**

a) During the current year and in the previous year, there have been no movements in the numbers of equity shares outstanding.

b) Details of Shareholders holding more than 5% of shares of the company

	Number of Shares held	% of Shareholding	Number of Shares held	% of Shareholding
Mr. Prabhudayal Sureka	8713000	6.67	8713000	6.67
Mr. Narendra Sureka	9946000	7.61	9946000	7.61

c) Terms/Rights attached to Equity Shares:

i. The Company has only one class of Equity shares having par value of ₹ 1/- per share.

ii. Each holder of Equity share is entitled to one vote per share.

iii. In the event of Liquidation of the Company , the holders of Equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues(if any) .The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 16: OTHER EQUITY

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
a. Capital Reserves		
Balance as per the last financial statements	45,00,000	45,00,000
Sub-Total	**84,788**	**84,788**
b. Securities Premium Account		
Balance as per the last financial statements	75,85,627	75,85,627
Sub-Total	**75,85,627**	**75,85,627**
c. Surplus in the Statement of Profit and Loss		
Balance as per the last financial statements	(1,94,99,169)	(2,10,86,480)
Add/(Less): Net Profit/(Loss) for the year	(30,36,361)	15,87,311
Sub-Total	**(2,25,35,530)**	**(1,94,99,169)**
d. Other Comprehensive Income		
Balance as per the last financial statements	3,77,680	3,04,374
Add: Movement in OCI (Net) during the year	21,234	73,306
Sub-Total	**3,98,914**	**3,77,680**
GRAND TOTAL ----	**(1,00,50,989)**	**(70,35,862)**

Note 17: BORROWINGS

Secured		
Term Loans from banks (refer note no 17.1)	42,95,522	11,84,320
Unsecured		
Lease Liability	12,06,619	-
TOTAL	**55,02,141**	**11,84,320**

Note 17.1: Terms of Repayment and Security details of Term Loans:

Name of the Bank / Entity	Daimler Financial Services India Pvt. Ltd.	HDFC Bank Ltd.
Type of Loan	Vehicle Loan	Vehicle Loan
Loan Account No.	10140248	50710742
Amount sanctioned	38,00,000	20,99,000
Amount availed	38,00,000	20,99,000
Sanction Date	30-12-2019	05-10-2017
Rate of Interest	8.01%	10.00%
Total No. of Instalments	60	60
No. of Instalments paid	2	30
No. of balance Instalments to be paid	58	30
Amount of Instalment	58 installment of ₹ 77077	30 installment of ₹ 42765
Repayment type	Monthly	Monthly

Nature of Security:

- Term Loans from HDFC Bank and Daimler Financial Services Pvt. Ltd. is secured by Hypothecation of specific vehicles.
- Personally guaranteed by two Directors of the Company.

Installments falling due in respect of all the above loans up to 31.03.2020 have been taken in "Other Financial liabilities" under the head "Current maturities of long term debts" (Refer note no.21)

Note 18: NON-CURRENT PROVISIONS		
Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Provision for Employee Benefits		
Gratuity (unfunded)	29,46,264	20,60,593
Leave Encashment (unfunded)	35,700	26,800
TOTAL	**29,81,964**	**20,87,393**

18.a : The Disclosure required under Accounting Standard 15" Employee Benefits notified in the Companies (Accounting Standards) Rules, 2006 are given below:

i. Defined Contribution Plan:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Contribution to Defined Contribution Plan , recognised are charged off for the year are as under:

Employer's Contribution to Provident Fund during FY 2019-20 was of ₹ 1,28,260/-

ii. Defined Benefit Plan:

Leave Encashment: During the year 2019-20, the amount paid to employees as leave encashment is ₹ 35700.

Gratuity:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee.

The employee's gratuity scheme is non -fund based. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date.

I. Reconciliation of Opening and closing balances of Defined Benefit Obligation:	**Gratuity (Unfunded)**	
	2019-20	**2018-19**
Defined Benefit obligation at beginning of the year	27,32,233	22,04,402
Recognised in Statement of Profit and Loss		
Current Service Cost	8,57,970	6,37,821
Past Service Cost	-	-
Interest Cost	1,86,920	1,44,847
Recognised in Other Comprehensive Income -Actuarial (gains)/losses on obligations		
Re-measurements - due to demographic assumptions		
Re-measurements - due to financial assumptions	3,60,659	14,378
Re-measurements - due to experience adjustments	-	(1,13,440)
Benefits paid	(3,89,354)	(1,55,775)
Settlement cost	-	-
Defined Benefit obligation at year end		
Current Liability	8,02,164	6,71,640
Non-Current Liability	29,46,264	20,60,593

II. Net liability / (asset) recognised in the Balance Sheet:	**Gratuity (Unfunded)**	
	2019-20	**2018-19**
Present value of defined benefit obligation	37,48,428	27,32,233
Fair value of plan assets	-	-
Net liability / (asset)	37,48,428	27,32,233
Effect of asset ceiling / onerous liabilities	-	-
Liability / (asset) recognised in the balance sheet	37,48,428	27,32,233
Of which short term defined benefit obligation at end of the year	8,02,164	6,71,640

III. Expense recognized during the year (under the head "Payments to and Provisions for Employees"	**Gratuity (Unfunded)**	
	2019-20	**2018-19**
Current Service Cost	8,57,970	6,37,821
Past Service Cost	-	-
Interest Cost	1,86,920	1,44,847
Defined benefit cost included in Statement of profit and loss	10,44,890	7,82,668

Re-measurements of the net defined benefit plans-Actuarial (gains)/losses on obligations	(3,89,354)	(2,69,215)
Defined benefit cost included in Other Comprehensive Income	(3,89,354)	(2,69,215)
Total defined benefit recognized in Statement of profit & loss and Other Comprehensive Income	6,55,536	5,13,453

IV. Actuarial Assumption	Gratuity (Unfunded)	
	2019-20	2018-19
Mortality Table (LIC)	LIC 1994-96 Mortality Table	LIC 1994-96 Mortality Table
Discount rate (per annum)	6.90%	7.80%
Rate of escalation in salary (per annum)	7.00%	7.00%

Sensitivity of the defined benefit obligation:
The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	-5.68%	6.37%	-5.02%	5.59%
Rate of increase in salaries (50bps movement)	6.06%	-5.70%	5.61%	-5.07%

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The Company's philosophy is to not to externally fund these liabilities but instead create an accounting provisions in its books of accounts and pay the gratuity to its employees directly from its own resources as and when the employee leaves the Company.

The expected contribution payable to the plan next year is therefore Nil.

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
31 March 2020	8,02,164.00	90,342.00	9,33,274.00	1,03,26,137.00	1,21,51,917.00
31 March 2019	6,71,640.00	50,347.00	8,22,176.00	80,84,023.00	96,28,186.00

The weighted average duration to the payment of these cash flows is 12.03 years (31 March 2019 : 10.58 years)

Note 19: BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Provision for Employee Benefits		
Secured		
Loans repayable on demand from Banks:		
Working Capital Loan	7,18,89,450	7,18,87,017
Loan from Related Parties	46,24,746	24,96,873
TOTAL	**7,65,14,197**	**7,43,83,889**

Nature of Security:

- The working capital loan from G.P. Parsik Bank is secured against hypothecation of stocks, book debts and Plant & Machinery of the Company.
- Collaterally secured by simple mortgage of lands and buildings located at B-4 and B-5 MIDC industrial Area, Murbad, Dist. Thane
- Also personally guaranteed by 3 directors and CFO of the Company.

Note 20: TRADE PAYABLES

Due to Micro and Small Enterprises*	-	-
Others	9,97,97,858	12,59,44,766
TOTAL	**9,97,97,858**	**12,59,44,766**

*Based on the information available with the company in response to the enquiries from all existing suppliers with whom the company deals, there are no suppliers who are registered as micro and small enterprises under 'The Micro, Small and Medium Enterprises Development Act, 2006, as at 31.03.2020.

Note 21: OTHER FINANCIAL LIABILITIES		
Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Current maturities of long-term debts (refer note no 17)	5,00,438	3,64,468
Current maturities of Lease Liability	1,26,576	-
Security Deposits	4,82,674	3,96,072
Other Accrued Expenses		
To Others	13,55,589	7,76,718
TOTAL	**24,65,277**	**15,37,257**

Note 22: OTHER CURRENT LIABILITIES		
Statutory Liabilities	25,42,442	25,03,946
Advance from Customers	7,39,195	8,67,936
Advance against sale of Fixed Assets	-	-
TOTAL	**32,81,637**	**33,71,882**

Note 23: CURRENT PROVISIONS		
Provision for Employee Benefits	8,02,164	6,71,640
TOTAL	**8,02,164**	**6,71,640**

Note 24: CURRENT TAX LIABILITIES (Net)		
Provision for Taxation (net of taxes paid)	(2,76,540)	1,74,930
Provision for Tax	21,35,406	21,35,406
Less : Advance tax	24,11,946	19,60,476
TOTAL	**(2,76,540)**	**1,74,930**

Note 25: REVENUE FROM OPERATIONS		
Particulars	2019-2020	2018-2019
	₹	₹
Sale of Goods		
Fabrics		
Grey Fabrics	3,33,84,895	3,76,40,815
Finished Fabrics	8,55,74,054	7,55,23,168
Goods traded in:		
Grey Fabrics	-	-
Finished Fabrics	12,57,78,589	22,54,53,785
Sub-Total	**24,47,37,538**	**33,86,17,768**
Sale of Services :		
Job charges	1,02,72,674	89,30,719
Other operating revenue		
Scrap Sale	-	-
TOTAL	**25,50,10,212**	**34,75,48,486**
Sales of Goods Geographical Regions wise		
Local	23,99,58,532	32,87,59,907
Export	47,79,006	98,57,861
Reconciliation of Revenue recognised with Contract Price:		
Contract price	25,57,61,819	34,75,61,219
Less: Discount	7,51,607	12,733
Revenue from Operations	**25,50,10,212**	**34,75,48,486**

Note 26: OTHER INCOME		
Rent	7,26,132	8,58,156
Dividend	60,000	60,000
Interest	16,10,041	27,80,523
Net Foreign Exchange Loss (Gain)	8,50,888	5,15,515
TOTAL	**32,47,061**	**42,14,194**

Note 27: COST OF MATERIALS CONSUMED		
Particulars	2019-2020	2018-2019
	₹	₹
Yarn	4,48,29,722	4,99,61,243
TOTAL	**4,48,29,722**	**4,99,61,243**

Note 28: PURCHASES OF STOCK IN TRADE		
Grey Fabrics	1,62,37,808	85,88,396
Finished Fabrics	12,55,45,839	22,50,36,556
TOTAL	**14,17,83,647**	**23,36,24,952**

Note 29: CHANGES IN INVENTORIES		
Opening Stock:		
Finished Goods	10,71,95,455	8,27,33,106
Stock in process	31,75,200	61,99,200
Closing Stock:		
Finished Goods	12,23,26,104	10,71,95,455
Stock in process	31,44,960	31,75,200
TOTAL	**(1,51,00,409)**	**(2,14,38,349)**

Note 30: EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	3,19,67,983	3,18,95,438
Contribution to Provident and Other Funds	13,83,827	9,33,459
TOTAL	**3,33,51,810**	**3,28,28,897**

Note 31: FINANCE COST		
Interest Expenses on		
Term Loans	-	-
Working Capital Loans	70,90,628	71,92,538
Delayed Payment Interest	-	750
Others	33,42,557	28,09,650
TOTAL	**1,04,33,185**	**1,00,02,938**

Note 32: OTHER EXPENSES		
a) Manufacturing Expenses		
Job charges	6,49,188	6,06,855
Weaving charges	59,18,165	41,26,833
Beam Making and mending charges	19,00,608	17,85,582
Dyeing charges	1,00,38,338	1,13,77,694
Packing charges	86,130	6,67,208
Power and fuel (refer note 37)	65,52,848	49,20,923
Water expenses	1,39,572	2,60,381
Lab Testing	29,421	1,05,980
Stores and spares consumed	22,48,819	27,45,410
Inward Transportation & Fright	9,82,765	9,28,382
Repairs and maintenance :		
Building	3,32,787	9,08,374
Machine	2,61,405	5,91,024
Others	17,08,495	6,26,251
TOTAL (a)	**3,08,48,541**	**2,96,50,898**
b) Administrative and General Expenses		
Printing and stationery	2,60,340	2,45,133
Postage, telegrams and telephones	2,43,572	1,77,493
Rent	4,50,000	7,91,427
Rates and taxes	8,800	72,749
Insurance	2,08,010	1,46,894
Auditors remuneration (refer note no. 35)	1,00,000	1,00,000
Bank commission/charges	14,675	1,86,601

Security charges	4,92,000	5,02,800
Electricity expenses	2,57,164	3,13,491
Legal and professional charges	12,23,428	12,74,142
Donation	1,43,001	2,12,200
General Expenses	7,09,126	11,53,334
Provision for doubtful trade receivables	1,48,762	2,21,928
Loss on sale of fixed assets	-	48,995
Travelling and conveyance	12,16,176	21,88,126
Office Expenses	11,91,548	13,62,560
TOTAL (b)	**66,66,602**	**89,97,872**
c) Selling and Distribution Expenses		
Sales Promotion Expenses	14,55,400	12,03,766
Export expenses	1,24,794	-
Net foreign exchange loss(gain)	-	97,979
Transportation & Fright	8,23,530	5,96,300
Brokerage and commission	5,30,626	7,10,014
TOTAL (c)	**29,34,350**	**26,08,059**
TOTAL (a+b+c)	**4,04,49,493**	**4,12,56,829**

Note 33: Earnings per Equity Share

Particulars	Unit	2019-2020	2018-2019
Weighted average number of Equity Shares	Number	13,06,31,000	13,06,31,000
Nominal Value of Share	₹	1	1
Profit/(Loss) for the Year	₹	(30,36,361)	15,87,311
Basic & Diluted Earnings Per Share	₹	(0.02)	0.01

Note 34: Contingent Liabilities & Commitments

(a) Contingent liabilities not provided:

		2019-2020	2018-2019
(i) Penalty levied by SEBI for delay in submission of certain information to BSE		1,70,000	1,70,000
(ii) Disputed income tax matters in appeal	₹	-	-
(iii) Undertaking given under EPCG Scheme for fulfillment of export obligation	₹ in Lakh	150.85	150.85
(iv) Principal and Interest due on Electricity charges due to non - receipt of subsidy from MSEDCL of earlier years	₹	48,04,616	48,04,616
(b) Commitments:			
(i) Uncalled money payable for residential flat to the developers	₹	14,22,500	14,22,500

Note 35: Payment to Auditors

Particulars	2019-2020	2018-2019
Audit Fees	1,00,000	1,00,000
Tax Audit Fees	0	0
Taxation Matters	0	0
Certification	0	0
Total	**1,00,000**	**1,00,000**

Note 36:

The management is of view that as per Ind AS 36, no impairment loss is required to be recognised, as the present values of assets are higher than the carrying amount of such assets.

Note 37: Related Party Disclosures

Related party disclosures as required by Ind AS -24 " Related Party Disclosures" are given below :

a) Key Management Personnel & their Relatives

Key Management

Shri Narendra Kr. Sureka

Shri Pradeep Kr. Sureka

	Relatives
	Smt. Annapurnadevi Sureka (wife of Key management personnel)
	Archit Sureka (Son of Key management personnel)
	Urmiladevi Sureka (Wife of Key management personnel)

b) Transactions during the year and balances outstanding at year end with the related parties are as follows:

Particulars	Volume of Transaction (₹)		Balances as on	
	2019-2020	2018-2019	2019-2020	2018-2019
Remuneration Paid/Payable				
Shri Narendra Kr. Sureka	9,00,000	9,00,000	-	-
Shri Pradeep Kr. Sureka	9,00,000	9,00,000	-	-
Rent Paid/Payable				
Smt. Annapurnadevi Sureka	4,50,000	3,50,000	-	14,130
Salary Paid/Payable				
Archit Sureka	9,09,972	6,65,000	1,40,000	70,000
Loan Taken/(Repayments made)/Payables				
Shri Narendra Kr. Sureka	24,71,145	49,90,985	9,57,476	13,58,176
	(28,71,844)	(57,80,018)		
Shri Pradeep Kr. Sureka	51,08,867	17,14,982	36,67,270	11,38,697
	(25,80,294)	(11,94,562)		
Electricity Charges				
Shri Narendra Kr. Sureka	Refer Note 43			
Shri Pradeep Kr. Sureka				

Note:

1) Related party relationship is identified by the Company and relied upon by the auditors.
2) Figure in the brackets pertains to previous year.
3) Personal guarantee of the Narendra kumar Sureka, Pradeepkumar Sureka and Smt. Urmiladevi Sureka has been provided for the facilities sanctioned to the Company- Refer Note 19.

Compensation of Key management personnel		
Short-term benefits	1,80,000	1,80,000
Post-Employment benefits*	-	-
* Remuneration does not include gratuity as employee wise break up is not available.		

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Note 38: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total borrowings less cash & cash equivalents, bank deposit (including earmarked balances) and current investments.

The table below summarizes the capital, net debt and net debt to equity ratio of the Company.

Particulars	31-03-2020 (₹)	31-03-2019 (₹)
Equity Share Capital	13,17,92,500	13,17,92,500
Other Equity	(1,00,50,989)	(70,35,862)
Total Equity (A)	**12,17,41,511**	**12,47,56,638**
Non-Current Borrowings	55,02,141	11,84,320
Short-Term Borrowings	7,65,14,197	7,43,83,889
Current maturities of Long-Term Borrowings	5,00,438	3,64,468
Gross Debt (B)	**8,25,16,776**	**7,59,32,677**
Total (A+B)	**20,42,58,286**	**20,06,89,315**
Gross Debt as above	8,25,16,776	7,59,32,677
Less: Current Investments	-	-
Less: Cash & Cash Equivalents	1,38,098	2,17,322
Less: Other balances with bank (including earmarked balances)	4,10,200	10,97,603
Net Debt (C)	8,19,68,478	7,46,17,752

Net Debt to Equity	**0.67**	**0.60**

Note 39: Financial Instruments and Risk Review

A. Financial Instrument

Fair value measurement hierarchy

The fair values of financial instruments as below have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows

Level 1: Quoted prices (unadjusted) in active markets: This level of hierarchy includes financial assets or liabilities that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of mutual fund investments.

Level 2: Valuation techniques with observable inputs: This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Valuation techniques with significant unobservable inputs: This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model did not based on assumptions that are supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following tables presents the carrying value and Fair value measurement hierarchy of each category of financial assets and liabilities

	31-03-2020		31-03-2019	
	Carrying Amt.	Level 1	Carrying Amt.	Level 1
Financial Assets				
Financial assets measured at fair value through profit & loss				
Investments (refer note 5)	5,00,000	-	5,00,000	-
Financial assets measured at amortised cost				
Trade receivables	9,17,28,267	-	12,55,57,146	-
Cash and cash equivalents	1,38,098	-	2,17,322	-
Loans	6,21,165	-	6,21,165	-
Other financial assets	10,59,712	-	19,26,078	-
Total	**9,35,47,242**	**-**	**12,83,21,711**	**-**
Financial Liabilities				
Financial liabilities measured at amortised cost				
Borrowings	8,20,16,338	-	7,55,68,210	-
Trade payables	9,97,97,858	-	12,59,44,766	-
Other financial liabilities	24,65,277	-	15,37,257	-
Total	**18,42,79,473**	**-**	**20,30,50,233**	**-**

There have been no financial assets and financial liabilities which has been fair valued under level 1,2 and 3 categories therefore no details for the same given in the table above.

Valuation

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

a) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

b) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

B. Financial Risk Management Framework

The Company's business activities are exposed to a variety of financial risks, namely credit risk, liquidity risk and market risk (currency risk and interest rate risk). The Company's management and the Board of Directors have the overall responsibility for establishing and governing the Company's risk management framework. The Board of Directors which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee and Board of Directors of the Company.

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Financial instruments that are subject to credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material credit risk.

Trade Receivable: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract.

Expected credit loss assessment

This Company makes provision for expected credit losses on trade receivable using provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting period.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	31-03-2020 (₹)	31-03-2019 (₹)
Balance as at beginning of the year	10,26,606	8,04,678
Impairment loss recognised	1,48,762	2,21,928
Provisions written-back during the year	-	-
Balance as at end of the year	**11,75,368**	**10,26,606**

Management believes that the unimpaired amounts that are past due by more than 365 days are fully collectible, based on historical payment behavior and extensive analysis of customer credit risk, including underlying customers credit ratings, of that are available.

Credit risk on cash and cash equivalents, other bank balances with bank is limited as the Company generally invests in deposits with banks. Investments primarily include investment in liquid mutual fund units.

The Company's maximum exposure to credit risk as at 31st March, 2019 and 31st March 2018 is the carrying value of each class of financial assets.

ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities. Cash flows in foreign currencies are translated using the period end spot rates.

	31-03-2020 (Amount in ₹)			
	Carrying Value	**0-1 Year**	**1-3 Years**	**3-5 Years**
Borrowings	8,13,10,157	7,75,99,282	21,91,253	15,19,622
Trade payables	9,97,97,858	9,97,97,858	-	-
Other financial liabilities	19,64,839	19,64,839	-	-
Total	**18,30,72,854**	**17,93,61,980**	**21,91,253**	**15,19,622**
	31-03-2019 (Amount in ₹)			
Borrowings	7,59,32,677	7,47,80,587	11,52,090	-
Trade payables	12,59,44,766	12,59,44,766	-	-

Other financial liabilities	11,72,790	11,72,790	-	-
Total	**20,30,50,233**	**20,18,98,143**	**11,52,090**	**-**

iii) Market Risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

a) Currency Risk

The Company is subject to the risk that changes in foreign currency values impact the Company's exports revenue. As at 31st March, 2020, the net unhedged exposure to the Company on holding assets (trade receivables) other than in their functional currency is as under:

The Company is exposed to foreign exchange risk arising from US Dollar.

Particulars	As at 31-03-2020		As at 31-03-2019	
	USD	INR	USD	INR
Receivables	69,962	48,83,492	1,46,979	1,02,13,631
Unhedged Exposure	**69,962**	**48,83,492**	**1,46,979**	**1,02,13,631**

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net unhedged exposure:

	31-03-2020 (₹)	31-03-2019 (₹)
1% Depreciation in INR		
Impact on Statement of profit and loss	48,835	1,02,136
1% Appreciation in INR		
Impact on Statement of profit and loss	(48,835)	(1,02,136)

b) Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to borrowing obligations.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

	31-03-2020 (₹)	31-03-2019 (₹)
Long term borrowing-fixed rate instruments	47,95,960	15,48,788
Short term borrowing-floating rate instruments	7,18,89,450	7,18,87,017
	7,66,85,410	**7,34,35,805**

Impact on Interest Expenses for the year on 1% change in Interest rate:

	31-03-2020 (₹)	31-03-2019 (₹)
1% Increase in Interest Rate		
Impact on Statement of profit and loss	(7,18,895)	(7,18,8700)
1% Decrease in Interest Rate		
Impact on Statement of profit and loss	7,18,895	7,18,8700

Note 40:

The company operates in a single segment i.e. textile having the same risk and return. Hence reporting as per Indian Accounting Standard (Ind AS) 108 "Operating Segments" is not applicable.

Note 41: Leases

The Company adopted Ind AS 116, 'Lease' effective from April 01, 2019, and has elected to apply this standard to its leases with modified retrospective approach with the cumulative effect, recognised at the date of initial application. Initial lease liability has been measured at present value of the remaining lease payments, and discounted at incremental borrowing rate of the Company as on April 01, 2019, with an equivalent amount for the right-of-use asset. The comparative information of previous year is not restated as permitted by Ind AS 116.

a) As a lessee	
Right-of-use Assets	
	Amount in ₹
Cost	**Lease Hold Land**
As at 1 April 2019 (on transition to IND AS 116)	20,32,571

Additions	-
Disposals	-
Balance at 31 March 2020	**20,32,571**
Accumulated depreciation and impairment	
As at 1 April 2019 (on transition to IND AS 116)	-
Depreciation	8,94,496
Impairment loss	-
Eliminated on disposals of assets	-
Balance at 31 March 2020	**8,94,496**
Carrying amounts	
As at 1 April 2019	20,32,571
Balance at 31 March 2020	11,38,075

Breakdown of Lease Expenses	
Short-term Lease Expenses	-
Total Lease Expenses	**-**
Cash outflow on Leases	
Repayment of lease liabilities	6,99,376
Interest on lease liabilities	1,59,048
Short-term lease expense	-
Total cash outflow on leases	8,58,424
Carrying amounts	
As at 1 April 2019	20,32,571
Balance at 31 March 2020	11,38,075

Maturity analysis of lease liability

Amount in ₹

	Total Lease Payable	Less than 1 Year	1 and 5 Years	Over 5 Years	Weighted average effective Interest Rate
March 31, 2020 Lease Liabilities	13,33,195	1,26,576	12,06,619	-	9.57%

Impact of changes in Accounting Policies

The following table provides the extract of impacts of adopting Ind AS 116 on the financial statements

i. Statement of Financial Position	**Amount in ₹**
	Impact of changes in accounting policies
As at April 1, 2019	**Adjustments**
Right-of-use assets	20,32,571
Total Assets	**20,32,571**
Lease liabilities	20,32,571
Deferred tax liabilities (net)	-
Total Liabilities	**20,32,571**
Retained earnings	-
Total Equity	**-**

Reconciliation between operating lease commitments disclosed in March 2019 financials applying Ind AS 17 and lease liabilities recognised in the statement of financial position

Particulars	**Amount in ₹**
Operating lease commitments disclosed in March 2019 financials (under Ind AS 17)	-
Add: Liability on account of re-assessment of lease term	27,18,856
Less: Discounting impact (total interest)	6,86,285
Lease liability as at April 1, 2019	**20,32,571**

b) As a lessor

The company has taken industrial gala under operating lease or on leave and license basis. These is generally not non-cancellable and for a period ranging between 12 months and above and is renewable at mutual consent on mutually agreeable terms. The company has given refundable interest free security deposit in accordance with the agreed terms. The rent paid in accordance with these agreements is debited to the statement of profit and loss for the year.

The company has given industrial gala under operating lease or on leave and license basis. These is generally not non-

cancellable and for a period ranging between 12 months and above and is renewable at mutual consent on mutually agreeable terms. The company has taken refundable interest free security deposit in accordance with the agreed terms. The rent received in accordance with these agreements is credited to the statement of profit and loss for the year.

Note 42: Income Tax Matters

The income tax assessments of the company have been completed up to assessment Year 2018-2019.

Note 43: Income Tax Matters

During an earlier year, a Memorandum of Understanding (MOU) was entered between the company and its two directors. As per the terms of MOU, the company will use the power supplied by the meters standing in the name of such directors and makes payment of electricity bills directly to the power supply company.

Note 44: Disclosure under section 186(4) of the Companies Act, 2013

The required details of the investments made during the year and investments outstanding as on 31.03.2020 are given in note 5 to the financial statements.

Note 45: Impact of Covid-19 Pandemic

a) The spread of Cov1d-19 has severely impacted businesses around the globe in many countries, including India there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, supply chain, travel bans, quarantines social distancing and other emergency measures. Plants of the Company which had shut down operations during lock down period have since partly resumed operations.

b) COVID-19 pandemic has caused global widespread economic and business disruption leaving uncertainties with respect to its severity, which currently cannot be reasonably ascertained. However, the Company has evaluated and factored in to the extent possible the likely impact that may result from COVID-19 pandemic as well as all events and circumstances up to the date of approval of these financial results, on the carrying value of its assets and liabilities as at 31st March 2020. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and adequate liquidity is available. The impact of any events and developments occurring after the balance sheet date on the financial results for the quarter and year ended 31st March 2020 may differ from that estimated as at the date of approval of these financial results and will be recognized prospectively. The Company will continue to monitor any material changes to the future economic conditions.

c) The company could not take balance confirmations from sundry debtors and creditors as at close of the year due to lockdown the offices were closed and also non availability concerned person; therefore, the balances of sundry debtors and creditors are subject to confirmation and reconciliation.

d) Due to lockdown, physical verification of inventories could not be carried out at the close of the year.

Note 46:

The Company has reclassified previous year figures to conform to this year's classification.

As set out in our attached report of even date

For **DBS & ASSOCIATES**
Chartered Accountants
Firm Registration no. 081627N

Roxy Teniwal
Partner
Membership no. 141538

Mumbai,24th July, 2020

For and on behalf of the Board of Directors

Narendra Kr. Sureka
Managing Director
DIN 01963265

Pradeep Kr. Sureka
Whole Time Director
DIN 01632706

Archit Sureka
Chief Financial Officer

Mamta Jain
Company Secretary