SINTEX
ACTIVE THINKING

Ref No: SEC/NSE/BSE/2020-21
September 1, 2020

The Manager, Capital Market (Listing)
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No : C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai-400 051
Stock Code: Equity – Sintex EQ

The Corporate Relationship Dept.
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building, P.J.Towers,
Dalal Street, Mumbai-400 001
Stock Code: Equity 502742
Security Code of Debt Instruments: 950353 951037 952870

Sub.: Notice of 89th Annual General Meeting (AGM) of the Members of the Company alongwith Annual Report of the Company for the Financial Year 2019-20.

Dear Sir,

We wish to inform that 89th AGM of the Members of the Company is scheduled to be held on Monday, September 28, 2020 at 4.00 p.m. IST through Video Conferencing / Other Audio Visual Means pursuant to MCA Circular No. 20 dated 05/05/2020 read with Circular No. 14 dated 08/04/2020, Circular No. 17 dated 13/04/2020 and SEBI Circular dated 12/05/2020 to transact the businesses as set out in the Notice of AGM.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2019-20 along with Notice convening the 89th AGM, which will be sent through electronic mode to the members of the Company.

The Annual Report alongwith the Notice of AGM is also available on the Company's website www.sintex.in.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

For Sintex Industries Limited

SINTEX INDUSTRIES LTD. SINTEX ACTIVE THINKING

Company Secretary

Encl : As Stated

SINTEX INDUSTRIES LIMITED
Regd. Office : Kalol-382 721, Dist. Gandhinagar, Gujarat, India.
Ph: +91-2764-253000, Fax : +91-2764-222868 Email : bvm@sintex.co.in
CIN : L17110GJ1931PLC000454

Investor Relationship Cell:
7th Floor, Abhijit Building-I, Mithakhali Six Roads,
Ellisbridge, Ahmedabad – 380 006, Gujarat.
Phone : +91-6358855979 • +91-79-26420045
Email : share@sintex.co.in
www.sintex.in

SINTEX
INDUSTRIES

SINTEX INDUSTRIES LIMITED
ANNUAL REPORT 2019-2020

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FORWARD LOOKING STATEMENTS

In this Annual Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set our anticipated results based on management plans and assumptions. We have tried, where possible, to identify such statements by using words such as 'anticipate', 'expect', 'project', 'intend', 'plan', 'believe', and words of similar substance in connection with any discussion of future performance.

We cannot, of course, guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. Achievement of results is subject to risks, uncertainties, and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Corporate Information

BOARD OF DIRECTORS :

Mr. Rahul A. Patel (DIN: 00171198)
Chairman & Managing Director

Mr. Amit D. Patel (DIN: 00171035)
Managing Director

Dr. Rajesh B. Parikh (DIN: 00171231)
Independent Director

Mr. Sunil Kumar Kanojia (DIN: 00490259)
Independent Director

Mr. Sudatta Mandal (DIN: 00942070)
Nominee Director
(w.e.f. 13.08.2019)

Mr. Samuel George (DIN: 06952669)
Independent Director
(w.e.f. 13.11.2019)

Mr. Mayank Devashrayee (DIN: 05313186)
Independent Director
(w.e.f. 13.11.2019)

Mr. Pratit Patel (DIN: 07841812)
Independent Director
(w.e.f. 13.11.2019)

Mrs. Keerti Lachhwani (DIN: 08757712)
Independent Director
(w.e.f. 25.06.2020)

Mr. Jayesh Khatsuria (DIN: 08626274)
Non-Executive Director
(w.e.f. 07.12. 2019)

Mr. Vimal R. Ambani (DIN: 00351512)
Independent Director
(upto 24.06.2019)

Mr. Gagan Deep Singh (DIN: 01895911)
Non-Executive Director
(upto 02.11.2019)

Dr. Narendra Kumar Bansal (DIN: 03086069)
Independent Director
(upto 04.02.2020)

Ms. Maitri Mehta (DIN: 07549243)
Independent Director
(upto 12.05.2020)

BANKERS :

Punjab National Bank
Bank of Baroda
Canara Bank
Punjab & Sind Bank
Bank of India

AUDITORS :

M/s. R Choudhary and Associates
Chartered Accountants
Ahmedabad

REGISTRAR & SHARE TRANSFER AGENT :

Link Intime India Pvt. Ltd.
5th Floor, 506 to 508,
Amarnath Business Center-1 (ABC-1),
Besides Gala Business Center,
Opp. Wagh Bakri Tea Lounge, Off C.G. Road,
Ellisbridge, Ahmedabad - 380 006, India.
Phone : +91-79-2646 5179
Email : ahmedabad@linkintime.co.in

COMPANY SECRETARY & COMPLIANCE OFFICER :

Mr. Hitesh T. Mehta

REGISTERED OFFICE :

Kalol - 382 721, Dist: Gandhinagar, Gujarat, India.
Phone : +91-2764-253000
CIN : L17110GJ1931PLC000454

INVESTOR RELATIONSHIP CELL:

7th Floor, Abhijeet Building-I, Mithakhali Six Roads,
Ellisbridge, Ahmedabad - 380 006, Gujarat, India.
Phone. : +91-79-26420045, +91-6358855979
E-mail : share@sintex.co.in
Website : www.sintex.in

Directors' Report

To,
The Shareholders,

Your Directors presenting the 89th Annual Report highlighting the business and operations of the Company on a standalone basis and the audited financial statements for the financial year ended 31st March, 2020.

Financial highlights (₹ in crores)

Particulars	2019-20	2018-19
Gross turnover	1634.92	2820.77
Gross profit	(1050.27)	268.83
Less: Depreciation	284.40	232.42
Profit before tax	**(1334.67)**	**36.41**
Less: Provision for taxation — current tax	-	8.66
Provision for taxation – Earlier Year	(6.12)	(1.72)
Deferred tax	(78.57)	10.27
Profit/(loss) after tax	**(1249.98)**	**19.20**
Profit/(loss) for the Year	**(1249.98)**	**19.20**

Note: Previous years figures have been regrouped/re-classified, wherever required.

Financial performance

Fiscal 2019-20 was complex year for the Company as reflected in the financials. Your Company reported 42.04% decrease in gross sales from ₹ 2820.77 crore in 2018-19 to Rs 1634.92 crore in 2019-20.

EBIDTA reduced to ₹ (308.24) crore in 2019-20 from ₹ 477.65 crore in 2018-19. Net loss for the year is ₹ 1249.98 against the previous year's profit of ₹ 19.20 crores. The earnings per share (face value of Re. 1) stood at ₹ (21.04) (basic) and ₹ (21.04) (diluted) for 2019-20 against ₹ 0.32 (basic) and ₹ 0.32 (diluted) for 2018-19.

Transfer to Reserves

The Company has not transferred any amount to the general reserve during the current financial year.

Dividend

In view of losses incurred by the Company, the Board of Directors of your Company has not recommended dividend on the equity shares of the Company for the Financial Year 2019-20.

Dividend Distribution Policy

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") the Company has formulated its Dividend Distribution Policy and the same has been uploaded on the website of the Company which can be accessed at http://sintex.in/wp-content/uploads/2016/11/Dividend_Distribution_Policy.pdf

Share Capital

During the year, the Company has not issued any shares on exercise of conversion by the FCCBs holder. As at 31st March, 2020, FCCBs worth US$ 13.50 million (of the US$ 110 million FCCB issue) were outstanding for conversion into equity shares.

The Company's paid-up Equity Share Capital continues to stand at ₹ 59,40,95,088/- divided into 59,40,95,088 equity shares of Re. 1/- each as on 31st March, 2020.

Fixed deposits

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

State of Company's affairs

Sintex is a respected name in the textile industry in India. The Company is engaged into the cotton and 100% wet linen yarn manufacturing. It produces premium quality compact and specialized blended yarns. The high-quality yarn has been widely accepted by weavers, knitters, composite textile mills and large buying houses who are working for brands in India and in across the globe.

The company is presently undergoing substantial financial stress and severe liquidity constraints coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits with delay in disbursements, Covid related disruptions etc. which has resulted into reduction in capacity utilization of its plants and, therefore, steep fall in sales volume and incurring of losses.

On account of the high cost of operations and to create synergies of having operations at a single location, the company is evaluating to shift manufacturing facilities of structured fabrics from its plant located at Kalol to its Yarn division at Village Lunsapur Tal. Jafrabad, Dist. Amreli. In view of this, the manufacturing operations of structured fabrics at Kalol is being gradually discontinued effective from 1st July, 2019. The land and factory building of its Kalol plant will be disposed of after obtaining requisite approvals including from lenders, the proceeds of which, shall be utilized for repayment of borrowings.

Comprehensive Resolution Plan

Comprehensive Resolution Plan had been submitted to all the lenders involving the re-structuring of debt availed. The proposal was prepared in accordance with the requirement set out in the circular issued by the Reserve Bank of India No. RBI/2018- 19/203.DBR.NO.BP.BC.45/21.04.048/2018-19 dated 7th June, 2019, which was not accepted in all lenders meeting held on 5th July, 2019. However, an Inter-Creditor Agreement (ICA) for a potential restructuring of the company's liabilities was signed on 6th July, 2019. The company submitted a revised Resolution Plan to lenders on 16th December, 2019, which was not accepted by the lenders due to higher provisioning requirement, post which petition has been filed by the financial creditors before the National Company Law Tribunal (NCLT), Ahmedabad under Section 7 of Insolvency and Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the company. The ability of the company to continue as going- concern is predicated upon the outcome of CIRP and scale up of company level of operations.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report & Covid-19 impact

The Company's Amreli plant was closed on 22nd March, 2020 due to lockdown. The Company lost sales of approximately Rs. 50 crore in March 2020 and ended month of March 2020 with negative EBITDA. The EBIDTA was not available to the Company in subsequent months to service the fixed cost. The Company started its Amreli plant on 12th April, 2020 with very low capacity utilization of 0.8 lakhs spindles and is targeting to reach operations of 5 lakhs + spindles by Q2/Q3 FY 2021 (same level as March 2020). The scale up of operations may be different then targeted, considering substantial volatility in market and risk averseness due to Covid 19, and is subject to opening of textile value chain (fabric/ garmenting) and pickup of exports.

The Company's Kalol plant manufacturing structured fabrics (except bleaching facility) was discontinued effective 1st July, 2019 and the same status continues.

The company is undergoing substantial financial stress and severe liquidity constraints during the year coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits with delay in disbursements, Covid-19 related disruptions etc. which has resulted into reduction in capacity utilization of its plants and, therefore, steep fall in sales volume and incurring of losses.

Performance of subsidiary – BVM Overseas Limited

Sintex's presence in domestic as well as export market is through its wholly owned subsidiary, BVM Overseas Limited.

Sintex is trading its products in domestic and international markets which includes yarn, shirting and bottom weights through this subsidiary.

BVM Overseas Limited

The Company is the trading arm of Sintex Industries in India and in international markets. While the Company currently trades in yarn, other products like fabrics, sheeting etc. will be brought under the Company's fold at a later date for capitalising on trading opportunities in India and with international customers over time.

During the financial year under review, the turnover decreased to ₹ 595.04 crores against ₹ 2098.75 crores in 2018-19. Out of the total turnover, about 56% accrued from the international market. The Company reported an EBIDTA Loss of ₹ 2.12 crore in 2019-20.

For information relating to contribution of subsidiary company to the over all performance of the Company, please refer AOC-1 forming part of this Annual Report.

Changes in subsidiaries, associates and joint ventures/wholly-owned subsidiaries:

During the year under review, there was no change in the status of subsidiaries and joint ventures/ wholly-owned subsidiaries.

Corporate Social Responsibility initiatives

The Company has constituted Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee has formulated a Corporate Social Responsibility Policy (CSR policy) indicating the activities to be undertaken by the Company. The Annual Report on CSR activities is annexed herewith as 'Annexure - A'.

Internal Financial Control (IFC) systems and their adequacy

As per the provisions of the Companies Act, 2013, the Directors have the responsibility for ensuring that the Company has implemented robust system / framework for IFCs to provide them with reasonable assurance regarding the adequacy and operating effectiveness of controls, to enable the Directors to meet with their responsibility.

The Company has in place, a sound financial control system and framework in place to ensure:

- 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.

A formal documented IFC framework has been implemented by the Company. The Board regularly reviews the effectiveness of controls and takes necessary corrective actions where weaknesses are identified as a result of such reviews. This review covers entity level controls, process level controls, fraud risk controls and Information Technology environment. Based on this evaluation, there is nothing that has come to the attention of the Directors to indicate any material break down in the functioning of these controls, procedures or systems during the year. There have been no significant events during the year that have materially affected, or are reasonably likely to materially affect, our internal financial controls. The management has also come to a conclusion that the IFC and other financial reporting was effective during the year and
is adequate considering the business operations of the Company.

Statutory Auditors and Auditors' Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. R Choudhary and Associates (FRN:101928W), Chartered Accountants, Ahmedabad were appointed as Statutory Auditors of the Company in 88th Annual General Meeting to hold their office till the conclusion of 93rd Annual General Meeting of the Company.

The Report given by M/s. R Choudhary and Associates, Chartered Accountants on the financial statement of the Company for the financial year 2019-20 does not have any qualifications, reservation, disclaimer or adverse comments. The notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. Further, the observation/s made therein read with concerned notes to financial statements, provide sufficient information and need no clarification.

Reporting of Fraud

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder, either to the Company or to the Central Government.

Cost Auditor

As per requirement of Central government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the cost account records maintained by the Company are required to be audited.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Shah Mehta & Co., Cost Accountants, Ahmedabad as Cost Auditor to audit the cost records of the Company for the financial year 2020-21. The Cost Auditors have submitted a certificate of their eligibility for such appointment. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s. Shah Mehta & Co., Cost Accountants, Ahmedabad is included in the Notice convening the Annual General Meeting.

Secretarial Audit Report

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. Chirag Shah & Associates, Company Secretaries, Ahmedabad to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2019-20 is annexed herewith as 'Annexure - B'. There were no qualifications, observations, reservation or comments or other remarks in the Secretarial Audit Report, which have any adverse effect on the functioning of the Company.

Directors and Key Managerial Personnel

Mr. Amit D. Patel (DIN : 00171035), Director is due to retire by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and is eligible for reappointment.

During the year under review, Mr. Prashant D. Shah resigned from the post of Head – Accounts & Audit and CFO of the Company w.e.f. 17th August, 2019. The Board of Directors based on recommendation of Nomination and Remuneration Committee & Audit Committee has appointed Mr. Hitesh K. Dihiye as a Chief Financial Officer and Key Managerial Personnel (KMP) of the Company w.e.f. 13th November, 2019.

Mr. Vimal R. Ambani (DIN: 00351512) and Ms. Maitri Mehta (07549243) ceased to be Independent Directors w.e.f. 24th June, 2019 and 12th May, 2020 respectively. Dr. Narendra Kumar Bansal (DIN: 03086069) ceased to be Independent Director w.e.f 4th February, 2020 due to his sad demise. Mr. Gagan Deep Singh (DIN: 01895911) ceased to be Non-Executive Director w.e.f. 2nd November, 2019.

The Board places on record its deep appreciation of the valuable services rendered as well as advice and guidance provided by Mr. Vimal R. Ambani, Ms. Maitri Mehta, Mr. Gagan Deep Singh and Late Shri Narendra Kumar Bansal during their tenure.

Mr. Sudatta Mandal, (DIN: 00942070), Chief General Manager of Export-Import Bank of India ("Exim Bank") has been appointed as Nominee Director on behalf of Exim Bank on the Board of the Company w.e.f. 13th August, 2019 in terms of the provisions of loan documentation entered between Exim Bank & the Company and pursuant to Section 32 of the Export-Import Bank of India Act, 1981.

Board of Directors on 5th December, 2019, appointed Mr. Jayesh Hasmukhrai Khatsuria, (DIN: 08626274) as an Additional Non-Executive Director on the Board of Directors of the Company w.e.f. 7th December, 2019, liable to retire by rotation. He holds the office up to the ensuing Annual General Meeting. The Company has received notice from member pursuant to the provisions of Section 160 of the Companies Act, 2013 proposing the appointment as a Director of the Company.

During the year, the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, appointed Mr. Mayank Devashrayee (DIN: 05313186), Mr. Samuel George (DIN: 06952669) and Mr. Pratit Patel (DIN: 07841812) as Additional Non-Executive Directors in the Category of Independent Directors w.e.f. 13th November, 2019 and Mrs. Keerti Lachhwani (DIN: 0008757712) appointed as an Additional Independent Woman Director w.e.f. 25th June, 2020. The Board of Directors of the Company has recommended appointment of Mr. Mayank Devashrayee, Mr. Samuel George, Mr. Pratit Patel and Mrs. Keerti Lachhwani as Independent Directors under the Companies Act, 2013, to hold office till the conclusion of the 93th Annual General Meeting of the Company to be held in the calendar year 2024.

The above Additional Independent Directors hold the office up to the ensuing Annual General Meeting. The Board considers it desirable to avail their services. The Company has received notices from members pursuant to the provisions of Section 160 of the Companies Act, 2013 proposing the appointment of all such Directors of the Company.

Nomination and Remuneration Committee held on 25th June, 2020 recommended to continue the terms of appointment of Mr. Mayank Devashrayee, Mr. Samuel George, Mr. Pratit Patel and Mrs. Keerti Lachhwani as Independent Directors and Mr. Jayesh Khatsuria as Non Executive Director of the Company.

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(1)(b) read with Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, all Independent directors of the Company appointed during the year have integrity, relevant expertise and experience required for effectively performing their roles and discharging responsibilities. Also, your Company has received annual declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs ["IICA"] as prescribed by the Ministry of Corporate Affairs under the relevant rules.

As stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by the Institute of Company Secretaries of India, brief profiles of the Directors proposed to be appointed/reappointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and membership/Chairmanship of Committees of the Board, shareholding in the Company and disclosure of relationship between directors inter-se are provided in the Notice attached forming part of the Annual Report.

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Awards and Recognitions

During this year, the company has received 2 prestigious awards. These awards are received for contributing to highest export of its products and the high employment generation, the names of the awards are as follows:

For F.Y. 2018-19, the company received two Gold trophies from The Cotton Textile Export Promotion Council (TEXPROCIL)

1) Cotton Yarn Exports Category III – Above ₹ 250 Crores: Counts Ne 50s and below: Gold Trophy
2) Highest Employment Generation (Overall): Gold Trophy

Sintex yarns has successfully accredited with over 11 certifications for efficient management practices, sustainable raw materials, premium range of yarns coupled with highest quality standards of products. The company is renewing it from time to time.

Insurance

The Company's plant, property, equipments and stocks are adequately insured against major risks. The Company has also taken Directors' and Officers' Liability insurance Policy to provide coverage against the probable liabilities arising on them, if any.

Directors' Responsibility Statement

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

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
b) 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 at the end of the financial year and of the profit and loss of the company for that period;
c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis; and
e) 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;
f) the systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Sintex ESOP 2018

The Company instituted the Sintex Industries Limited -Employees Stock Option Plan-2018 (ESOP Plan) to grant equity based incentives to eligible employees of the Company and directors of the Company, excluding independent directors. The Scheme of ESOP Plan is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014. During the year under review, the Company has not granted any stock options pursuant to ESOP Plan.

A total of 30,00,000 options would be available for grant to the eligible employees of the Company and directors of the Company, excluding independent directors under the ESOP Plan.

The details as required to be disclosed under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 has been uploaded on the Company's website at the link http://www.sintex.in/wp-content/uploads/2019/04/ESOP-2018-Disclosure-under-SEBI-SBEB-Regulations-2014-1.pdf

The Certificate from the Statutory Auditors of the Company certifying that the Company's Stock Option Plans are being implemented in accordance with the ESOP Regulations and the resolution passed by the Members of the Company, would be available electronically for inspection by members.

Secretarial Standards

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

Meetings of Board of Directors

Regular Meetings of the Board are held to discuss and decide on various business strategies, policies and other issues. During the year, four meetings of the Board of Directors were convened and held on 22nd May, 2019, 13th August, 2019, 13th November, 2019 and 6th February, 2020. The intervening gap between two consecutive meetings was not more than one hundred and twenty days. Detailed information on the Meetings of the Board is included in the Corporate Governance Report, which forms part of the Annual Report.

Committees of the Board of Directors

In compliance with the requirement of applicable laws and as part of the best governance practice, the Company has following Committees of the Board as on 31st March, 2020:

i. Audit Committee
ii. Stakeholders Relationship Committee
iii. Nomination and Remuneration Committee
iv. Corporate Social Responsibility Committee
v. Share and Debenture Transfer Committee

Audit Committee

The Audit Committee consists of Members viz. Mr. Samuel George (Chairperson), Mr. Mayank Devashrayee, Mr. Pratit Patel, Mr. Sunil Kanojia and Mr. Amit D. Patel. There were no instances, where recommendations of Audit Committee were not accepted by the Board of Directors.

The details of the Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report.

Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process and it covers various aspects of the Board functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgement, governance issues etc.

Annual evaluation of the Committees of Board of Directors of the Company's performance carried out on the basis of criteria and manner as specified by the Nomination and Remuneration Committee and also the terms of reference of the committees.

The performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Independent director databank registration

Pursuant to a notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard. Your Company has received annual declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs ["IICA"] as prescribed by the Ministry of Corporate Affairs under the relevant rules.

Independent Directors' Meeting

The Independent Directors met on 6th February, 2020, without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Extra Ordinary General Meetings / Postal Ballot

During the year under review, the Company has neither convened any Extra Ordinary General Meeting of the members of the Company nor passed any resolution through Postal Ballot.

Consolidated financial statements

The Board reviewed the affairs of the Company's subsidiary during the year at regular intervals. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company and its subsidiary, which form part of this Annual Report. The consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company and its subsidiary, as approved by their respective Board of Directors. Further a statement containing salient features of the Financial Statements of each subsidiary in Form AOC-1 forms part of the Consolidated Financial Statements. The statement also provides the details of performance and financial position of subsidiary.

Transfer of shares to IEPF demat account

The Company has transferred 64,235 Equity Shares to the IEPF demat account held with Central Depository Services (India) Limited (CDSL) in terms of Section 124 (6) of the Companies Act, 2013 and the notified Rules of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, in respect of those shareholders, who have not claimed the dividend for the period of seven consecutive years or more.

Policies

- **Remuneration policy**

The Board has on the recommendation of the Nomination and Remuneration Committee framed and adopted the Policy for selection and appointment of directors, senior management and their remuneration. The Board recognizes that the various Committees of the Board have very important role to play to ensure highest standards of corporate governance. The remuneration policy is stated in the Corporate Governance Report.

- **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

Pursuant to the amendments in the SEBI (Prohibition of Insider Trading) Regulations, 2015 vide the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the Board of Directors of the Company has adopted new code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI") ("Fair Disclosure Code") incorporating a policy for determination of "Legitimate Purposes" as per Regulation 8 and Schedule A to the said regulations w.e.f. 1st April, 2019.

- **Whistle blower policy**

The Company has adopted a Whistle Blower Policy through which the Company encourages its employees to bring to the attention of Senior Management, including Audit Committee, any unethical behaviour and improper practices and wrongful conduct taking place in the Company. The details of the same is explained in the Corporate Governance Report and also posted on the website of the Company at the link http://www.sintex.in/wp-content/uploads/2016/07/Whistle_blower_policy.pdf

- **Code of Conduct to Regulate, Monitor and Report Trading by Insiders**

Pursuant to amendments in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 vide the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company adopted the revised "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons" as per Regulation 9 and Schedule B to the said regulations w.e.f. 1st April, 2019.

- **Policy for Determining Material Subsidiaries**

Pursuant to amendments in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, the Company has adopted the revised "Policy for Determining Material Subsidiaries" for laying down a criterion for determining Material Subsidiaries and their governance as per Regulation 16(1)(c) to the said regulations w.e.f. 1st April, 2019.

Particulars of loans given, investments made, guarantees given and securities provided

Particulars of loans given, investments made, guarantees given and securities provided under Section 186 of the Companies Act, 2013 are provided in the standalone financial statement (Please refer to Note No. 7,8,12,16 and 51 to the standalone financial statement), which are proposed to be utilized for the general business purpose of the recipient.

Contracts and arrangements with related parties

Related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of business in accordance with relevant provisions of the Companies Act, 2013. Further, there were material related party transactions which were entered into in the ordinary course of business and on arm's length basis under Section 188(1) of the Companies Act, 2013 during the financial year under review, details of which are provided in form AOC-2 pursuant to provisions of Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Form AOC-2 is attached herewith as 'Annexure - C' to the Board's Report.

Disclosures of Related Party transactions as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided as note 39 to Standalone Financial Statements.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms part of this Annual Report.

Corporate Governance

Corporate Governance is, essentially, a philosophy. It encompasses not only the regulatory and legal requirements, but also the voluntary practices developed by the Company to protect the best interests of all stakeholders. The Company complies with all the Standards, Guidelines and Principles governing disclosures and obligations set out by the Securities and Exchange Board of India (SEBI) and the Stock Exchanges on corporate governance.

A separate report on Corporate Governance along with Certificate from M/s. Chirag Shah & Associates, Practicing Company Secretaries, Ahmedabad on compliance with the conditions of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as a part of this Annual Report.

Your Company has made all information, required by investors, available on the Company's website www.sintex.in.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended from time to time is annexed to this Report as 'Annexure - D'.

Extract of the annual return

As required under the provisions of sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of annual return in Form No. MGT-9 forms part of this Report as 'Annexure - E' and the same is also available on website of the Company under Investor's Section, accessible at http://www.sintex.in/investors/.

Business Responsibility Report

The Business Responsibility Report for the year ended 31st March, 2020 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed, which forms part of this report as 'Annexure -F'.

Particulars of employees

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this Report as 'Annexure-G'.

The statement containing particulars of employees as required under Section 197 of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

Significant and Material Orders impacting going concern status of the Company passed by the regulators or courts or tribunals

No significant or material orders impacting going concern status of the Company were passed by the regulators or courts or tribunals, which impact the going concern status and Company's operations in future.

Risk Management

The Company recognizes that risk is an integral part of business and is committed to manage the risks in a proactive and efficient manner. During the year, the Board of Directors has reviewed the risks associated with the business of the Company, its root causes and the efficacy of the measures taken to mitigate the same. There are no risks which in the opinion of the Board threaten the existence of the Company.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Company has zero tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace and the Company is fully committed to uphold and maintain the dignity of every women working in the Company. The Sexual Harassment Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

There were no complaints pending as on the beginning of the financial year and no new complaints were filed during the financial year under review.

The Directors further disclose that the Company has complied with the provisions relating to the Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

General

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

Acknowledgements

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

On behalf of the Board,

Rahul A. Patel
Chairman & Managing Director
DIN: 00171198

Place: Ahmedabad
Date: 25th June, 2020

ANNEXURE - A to Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   Corporate Social Responsibility (CSR) is the contribution from the Corporate towards Social and Economic development of Society. CSR integrates Organization, Society and Planet. CSR policy should ensure activities which may include sustainable development by skill enhancement, sustainable environment, promotion to gender equality, prevention of health care and sanitation, care for senior citizens and differently able persons, etc.

   The Company will undertake projects/activities under Corporate Social Responsibility as specified in Schedule VII to the Companies Act, 2013.

   The CSR policy of the Company is stated in http://www.sintex.in/wp-content/uploads/2016/07/SIL_CSR_policy.pdf

2. **Composition of the CSR Committee:**

   Mr. Amit D. Patel, Chairman – Chairman
   Mr. Rahul A. Patel, Member – Member
   Mr. Samuel George, Member – Member

3. **Average net profit of the company for last three financial years**

   Average net profit: ₹ 119.51 Crores

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)**

   The Company is required to spend ₹ 2.39 Crores towards CSR.

5. **Details of CSR spent during the financial year.**

   (a) Total amount spent for the financial year: NIL
   (b) Amount unspent, if any: ₹ 2.39 crores
   (c) Manner in which the amount spent during the financial year is detailed below: Not Applicable

6. **Reasons for not spending the prescribed CSR expenditure:**

   The company is undergoing substantial financial stress and severe liquidity constraints during the year coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits with delay in disbursements, Covid-19 related disruptions etc. which has resulted into reduction in capacity utilization of its plants and, therefore, steep fall in sales volume and incurring of losses. The company has defaulted in debt obligation of debentures aggregating to ₹ 466.67 Crores for the period June 2019 to March 2020 apart from other credit facilities. Further, Company's inability to meet its obligation in relation to the payment of certain letters of credit which led to devolvement and consequent over utilization of the cash credit facilities availed by the Company for more than 30 days, delay in payment of certain term loan installments as well as interest. Hence, the Company was unable to spend towards CSR Activities during the financial year.

7. The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place: Ahmedabad	**Amit D. Patel**	**Rahul A. Patel**
Date: 25th June, 2020	Chairman, CSR Committee	Member

ANNEXURE - B to Directors' Report

Form No. MR-3

Secretarial Audit Report for the Financial Year Ended 31.03.2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Sintex Industries Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

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

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under:-

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011:-
b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015:-
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 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 (Not Applicable to the Company during the audit period):-
h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the audit period):-

(vi) Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say

(a) Indian Boilers Act, 1923
(b) Static and Mobile Pressure Vessels Rules, 1999.
(c) Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996.
(d) Hazardous Wastes (Management and Handling) Rules, 1989
(e) The Water (Prevention and Control of Pollution) Act, 1974
(f) The Water (Prevention and Control of Pollution) Cess Act, 1977.
(g) Air (Prevention and Control of Pollution) Act, 1981.

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

a. Secretarial Standards issued by the Institute of Company Secretaries of India;

b. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. - In the matter of Regulation 17 (8), the certificate has been issued by Managing Director and Joint CFO of the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. In compliance of provisions of Section 134(1) of the Companies Act, 2013, the financial statements have been signed by the Joint CFO of the Company.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that, during the year under review the Company has passed following Special Resolutions.

1. Issue of Unsecured / Secured Redeemable Non-Convertible Debentures / Bonds by way of private placement.

We further report that, during the year under review the company submitted a Comprehensive Resolution Plan to all the lenders involving the re-structuring of debt availed. The proposal was prepared in accordance with the requirement set out in the circular issued by the Reserve Bank of India No. RBI/2018-19/203.DBR. NO. BP. BC. 45/21.04. 048/2018-19 dated 7th June, 2019. Which was not accepted in all lenders' meeting held on 5th July, 2019. The Inter-Creditor Agreement (ICA) for a potential restructuring of the company's liabilities was signed on 6th July, 2019. The company submitted a revised Resolution Plan to lenders on 16th December, 2019, which was not accepted by the lenders due to higher provisioning requirement, post which petition has been filed by the financial creditors before the National Company Law Tribunal (NCLT), Ahmedabad under Section 7 of Insolvency and Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the company. The petition has yet not been get admitted.

Chirag Shah
Partner
Chirag Shah and Associates
FCS No. 5545
C P No.: 3498
UDIN : F005545B000382064

Place: Ahmedabad
Date: 25th June, 2020

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.

ANNEXURE - A

To,
The Members
Sintex Industries Limited.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

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.

Chirag Shah
Partner
Chirag Shah and Associates
FCS No. 5545
C P No.: 3498
UDIN : F005545B000382064

Place: Ahmedabad
Date: 25th June, 2020

ANNEXURE - C to Directors' Report

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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or at arm's length during financial year 2019-20.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
BVM Overseas Limited, Wholly owned Subsidiary	Purchase of goods/ Services	Ongoing	Purchase of goods/Services for the year ended 31st March, 2020 amounting to ₹ 6.51 crore	Not applicable	-
BVM Overseas Limited, Wholly owned Subsidiary	Sale of goods/Services	Ongoing	Sale of goods/Services for the year ended 31st March, 2020 amounting to ₹ 550.40 crore	Not applicable	-

For and on behalf of Board of Directors

Rahul A. Patel
Chairman & Managing Director
(DIN : 00171198)

Place: Ahmedabad
Date: 25th June, 2020

ANNEXURE - D to Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2019 is given here below and forms part of the Directors' Report.

A) CONSERVATION OF ENERGY –

1) The step taken for conservation of energy

In light of the global warming, which eventually may lead to scarcity of energy resources, the company has been focussing on efficient energy conservation practices as one of the key component of its responsible energy strategy.

- Ring spinning machines are consuming maximum electricity. Hence, automatic pneumafil suction system's cycle time optimisation is carried out, thereby saving in energy is achieved.
- The humidification plants in all units are fully automated. The company has reduced the power consumption in winter season remarkably by continuous monitoring of outside favourable conditions thereby saved energy.
- The main circulation fan speed was checked and monitored on regular basis in various waste collection system. Thus, power consumption is optimised by mechanically reducing the speeds without affecting the process requirement.
- The latest technology needs compressed air for automatic machine functions. The company is continuously inspecting the air leakages at production machines, pipelines, joints, valves etc. on regular basis and attend any losses on top priority, thus to save electricity consumption.
- The cooling tower of compressor has been modified for suction & discharge pipelines as well as splash bar arrangement which has enabled power saving and smooth operation.
- The RF Dryer Chiller unit optimisation in operation enabled power saving.

2) The steps taken by the company for utilizing alternate source of energy

- Installation of solar panel, capacity of 4.5 MW is successfully implemented on roof top of 3 manufacturing units.

3) The capital investment on energy conservation equipment : NIL

B) TECHNOLOGY ADVANCEMENT –

1) Major efforts made towards technology advancement

Following steps made towards adopting technology advancement.

- Participation in international textile machinery exhibition helped to acquaint the latest developments in technology and innovations.
- The machines are digitally connected by online platform for production, quality and maintenance activities. The company has adopted industry 4.0 technology with Artificial Intelligence (AI) & Internet of Things (IoT) applications. The tools such as individual spindle monitoring system and Marzoli remote maintenance are effectively synchronised. The machine inputs are interpreted, analyzed by software. A network of various devices is connected over the internet thus collect and share data with each machine in process sequence. The production and down time data is visible on big digital display screens in the production department. Thus, benefited to effectively monitor efficiency, production, quality and maintenance practices.
- The enterprise resource planning (ERP) software is tuned for requisite management reporting tools. This has benefited in efficient raw material, finished goods, spares and consumables order & inventory sourcing /management.

The above measures have resulted in improving cost competitiveness to great extent.

2) The benefits derived from product improvement, product development and import substitution

Following measures were taken during this year;

- In continuation to the progress carried out in the last year, the company has focussed to satisfy its customers in domestic and international markets. International buyers are now recognizing the company's yarns and insisting for the company's brand label. Thus, company's brand image is becoming visible in global markets.
- The company's sales, marketing, quality assurance and product development team participated in international and domestic exhibitions to promote company's yarn and fabric products.

- The company has created new platform by organising customers meet programme in various fabric manufacturing hubs. Thus, the company's sales and marketing team's interactions with channel partners, agents and customers has been excelled. The sales and quality assurance team have visited regularly to individual customers to build repo, understand feedback and implemented effective strategies.

- The company has established its 100% wet linen yarns in domestic market. Earlier these yarns were imported from China. Thus, the company has helped for import substitution.

- The company has developed linen / cotton blended yarns under its new product development initiative

3) Information regarding acquisition of imported technology during the last year

a) The details of technology imported: Not applicable

b) The year of import: Not Applicable

c) whether the technology has been fully absorbed: Not applicable

d) If not fully absorbed, areas where absorption has not taken place, and the reasons there of: Not applicable

4) Expenditure incurred on Research and Development

The company has incurred an expenditure of ₹ 0.13 crores towards Research and Development.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Crore)

Description	2019-20	2018-19
Foreign Exchange Earned in terms of Actual Inflows	0.60	62.79
Foreign Exchange Used in terms of Actual outflows	138.25	376.28

ANNEXURE - E to Directors' Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN:-	L17110GJ1931PLC000454
ii)	Registration Date:	01/06/1931
iii)	Name of the Company:	Sintex Industries Limited
iv)	Category / Sub-Category of the Company:	Public Company/Limited by shares
v)	Address of the Registered office and contact details:	Kalol 382721, Gujarat, India Tel : +91-2764-253000, +91-6358855979
vi)	Whether listed company Yes / No :	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any :	Link Intime India Pvt. Ltd 506 TO 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006. Tel : 079 - 2646 5179 • Email : ahmedabad@linkintime.co.in

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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service *	% to total turnover of the company #
1.	Spinning, weaving and finishing of textiles	131	100.00

* As per National Industrial Classification- Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	BVM Overseas Limited	119, Kalasagar Shopping HUB, First floor, Opposite Saibaba Temple, Sattadhar, Ahmedabad, Gujarat - 380 061	U51900GJ2015PLC084582	Subsidiary	100.00	2(87) (ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of the shares held at the beginning of the year 01/04/2019				No. of shares held at the end of the year 31/03/2020				% change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	**PROMOTERS**									
(1)	**INDIAN**									
a)	Individual/HUF	3004149	0	3004149	0.51	3004149	0	3004149	0.51	0.00
b)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corporate	166976978	0	166976978	28.11	29176978	0	29176978	4.91	-23.20
e)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	SUB-TOTAL A(1)	**169981127**	**0**	**169981127**	**28.61**	**32181127**	**0**	**32181127**	**5.42**	**-23.20**
(2)	**FOREIGN**									
a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any other.	0	0	0	0.00	0	0	0	0.00	0.00
	SUB-TOTAL A(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	TOTAL SHAREHOLDING OF PROMOTER(A)=A(1)+A(2)	**169981127**	**0**	**169981127**	**28.61**	**32181127**	**0**	**32181127**	**5.42**	**-23.20**

Category of Shareholders		No. of the shares held at the beginning of the year 01/04/2019				No. of shares held at the end of the year 31/03/2020				% change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
B.	**PUBLIC SHAREHOLDING**									
1.	**INSTITUTIONS**									
a)	Mutual Funds	615854	0	615854	0.10	0	0	0	0.00	-0.10
b)	Banks/FI	4731621	11200	4742821	0.80	1731563	11200	1742763	0.29	-0.51
c)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	74433	0	74433	0.01	0.01
g)	FIIs /FPI	37472463	0	37472463	6.31	430737	0	430737	0.07	-6.24
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	SUB-TOTAL B(1)	**42819938**	**11200**	**42831138**	**7.21**	**2236733**	**11200**	**2247933**	**0.37**	**-6.84**
2.	**NON-INSTITUTIONS**									
a)	Bodies Corporate									
i)	Indian	28911537	38980	28950517	4.87	17010772	38110	17048882	2.87	-2.00
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 Lakh	276498702	2189213	278687915	46.91	390237276	2092991	392330267	66.04	19.13
ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	38544795	0	38544795	6.49	107899404	0	107899404	18.16	11.67
c)	Others									
(c-i)	Trust	79721	0	79721	0.01	78156	0	78156	0.01	0.00
(c-ii)	NRIs	14900430	5060	14905490	2.51	20365914	2060	20367974	3.43	0.92
(c-iii)	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
(c-iv)	Hindu Undivided Family	12778141	0	12778141	2.15	16797085	0	16797085	2.83	0.68
(c-v)	Foreign Portfolio Investor (Individual)	100000	0	100000	0.02	100000	0	100000	0.02	0.00
(c-vi)	Clearing Members	6422673	0	6422673	1.08	3486095	0	3486095	0.59	-0.49
(c-vii)	Associated Person	0	680	680	0.00	0	680	680	0.00	0.00
(c-viii)	Directors/Relatives	100	0	100	0.00	100	0	100	0.00	0.00
(c-iv)	IEPF	604137	0	604137	0.10	668372	0	668372	0.11	0.01
d)	NBFCs registered with RBI	208654	0	208654	0.04	888493	0	888493	0.15	0.11
e)	Trust Employee	0	0	0	0.00	520	0	520	0.00	0.00
	SUB-TOTAL B(2)	**379048890**	**2233933**	**381282823**	**64.18**	**557532187**	**2133841**	**559666028**	**94.21**	**30.03**
	TOTAL PUBLIC SHAREHOLDING									
	(B)=B(1)+B(2)	**421868828**	**2245133**	**424113961**	**71.39**	**559768920**	**2145041**	**561913961**	**94.58**	**23.19**
C.	**SHARES HELD BY CUSTODIANS FOR GDRS & ADRS**	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C)	**591849955**	**2245133**	**594095088**	**100.00**	**591950047**	**2145041**	**594095088**	**100.00**	**0.00**

ii) Shareholding of Promoters and Promoters' Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2019			Shareholding at the end of the year 31/03/2020			% 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	
1	Pranay Arunprasad Patel	758830	0.13	0.00	758830	0.13	0.00	0.00
2	Rahulbhai Patel	497090	0.09	0.00	497090	0.09	0.00	0.00
3	Amit Patel	398425	0.07	0.00	398425	0.07	0.00	0.00
4	Deval Rahul Patel	262500	0.04	0.00	262500	0.04	0.00	0.00
5	Leena Arunprasad Patel	177970	0.03	0.00	177970	0.03	0.00	0.00
6	Arunprasad Purshottamdas Patel	327710	0.06	0.00	327710	0.06	0.00	0.00
7	Dineshchandra Patel	290536	0.05	0.00	290536	0.05	0.00	0.00
8	Kalavati Patel	225468	0.04	0.00	225468	0.04	0.00	0.00
9	Poonam Pranay Patel	65620	0.01	0.00	65620	0.01	0.00	0.00
10	BVM Finance Private Limited	78103905	13.15	9.72	16303905	2.74	0.84	-10.41
11	Opel Securities Private Limited	30223452	5.08	2.32	4223452	0.71	0.00	-4.37
12	Kolon Investment Pvt. Ltd.	55877110	9.40	5.34	5877110	0.99	0.00	-8.41
13	Star Line Leasing Ltd.	1713221	0.29	0.00	1713221	0.29	0.00	0.00
14	Som Shiva (Impex) Limited	262500	0.04	0.00	262500	0.04	0.00	0.00
15	Prominent Plastics Limited	796790	0.13	0.00	796790	0.13	0.00	0.00
	Total	**169981127**	**28.61**		**32181127**	**5.42**	**0.84**	**-23.19**

(iii) Change in Promoters and Promoters' Group Shareholding (please specify, if there is no change)

Sr. No.	Name	Shareholding at the beginning of the year 01/04/2019		Transactions during the year			Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of shares held	% of total shares of the company	Date of Transaction	Increase/ Decrease in share-holding	Reason	No. of shares held	% of total shares of the company
1	Pranay Arunprasad Patel	758830	0.13	No Change During the Year			758830	0.13
2	Rahulbhai Patel	497090	0.09				497090	0.09
3	Amit Patel	398425	0.07				398425	0.07
4	Deval Rahul Patel	262500	0.04				262500	0.04
5	Leena Arunprasad Patel	177970	0.03				177970	0.03
6	Arunprasad Purshottamdas Patel	327710	0.06				327710	0.06
7	Dineshchandra Patel	290536	0.05				290536	0.05
8	Kalavati Patel	225468	0.04				225468	0.04
9	Poonam Pranay Patel	65620	0.01				65620	0.01
10	BVM Finance Private Limited	78103905	13.15				78103905	13.15
				20/09/2019	(700000)	Invocation of pledge	77403905	13.03
				30/09/2019	(20000000)		57403905	9.66
				11/10/2019	(20000000)		37403905	6.30
				01/11/2019	(10968905)		26435000	4.45
				08/11/2019	(10131095)		16303905	2.74
	At the end of the Year						16303905	2.74
11	Opel Securities Private Limited	30223452	5.08				30223452	5.08
				08/11/2019	(14700000)	Invocation of pledge	15523452	2.61
				20/12/2019	(10000000)		5523452	0.93
				31/12/2019	(1300000)		4223452	0.71
	At the end of the Year						4223452	0.71

Sr. No.	Name	Shareholding at the beginning of the year 01/04/2019		Transactions during the year			Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of shares held	% of total shares of the company	Date of Transaction	Increase/ Decrease in share-holding	Reason	No. of shares held	% of total shares of the company
12	Kolon Investment Pvt. Ltd.	55877110	9.40				55877110	9.40
				01/11/2019	(19031095)	Invocation of pledge	36846015	6.20
				08/11/2019	(11218905)		25627110	4.31
				31/12/2019	(9750000)		5877110	0.99
	At the end of the Year						5877110	0.99
13	Star Line Leasing Ltd.	1713221	0.29	No Change During the Year			1713221	0.29
14	Som Shiva (Impex) Limited	262500	0.04				262500	0.04
15	Prominent Plastics Limited	796790	0.13				796790	0.13

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding at the beginning of the year 01/04/2019		Transactions during the year			Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of shares held	% of total shares of the company	Date of Transaction	Increase/ Decrease in share-holding	Reason	No. of shares held	% of total shares of the company
1	Rajni Tarun Jain	2400000	0.40	-	-	-	2400000	0.40
	At the end of the Year						2400000	0.40
2	Satish Shamji Bheda	0	0.00				0	0.00
				29/11/2019	250000	Transfer	250000	0.04
				13/12/2019	788700	Transfer	1038700	0.17
				20/12/2019	20000	Transfer	1058700	0.18
				27/12/2019	655000	Transfer	1713700	0.29
				10/01/2020	500000	Transfer	2213700	0.37
	At the end of the Year						2213700	0.37
3	Kunhamed V P M	47000	0.007				47000	0.007
				05/04/2019	3000	Transfer	50000	0.008
				21/06/2019	10000	Transfer	60000	0.01
				12/07/2019	50000	Transfer	110000	0.02
				09/08/2019	30000	Transfer	140000	0.023
				16/08/2019	20000	Transfer	160000	0.03
				30/09/2019	40000	Transfer	200000	0.033
				18/10/2019	400000	Transfer	600000	0.10
				25/10/2019	640000	Transfer	1240000	0.21
				01/11/2019	220000	Transfer	1460000	0.25
				08/11/2019	340000	Transfer	1800000	0.30
				13/12/2019	(100000)	Transfer	1700000	0.29
				03/01/2020	200000	Transfer	1900000	0.32
				10/01/2020	50000	Transfer	1950000	0.33
				31/01/2020	50000	Transfer	2000000	0.34
				28/02/2020	70000	Transfer	2070000	0.35
	At the end of the Year						2070000	0.35
4	Ashutosh Bharatbhai Patel	0	0.00				0	0.00
				06/12/2019	1726533	Transfer	1726533	0.29
				13/12/2019	1984866	Transfer	3711399	0.62
				20/12/2019	1350000	Transfer	5061399	0.85
				03/01/2020	(3000000)	Transfer	2061399	0.35
	At the end of the Year						2061399	0.35

Sr. No.	Name	Shareholding at the beginning of the year 01/04/2019		Transactions during the year			Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of shares held	% of total shares of the company	Date of Transaction	Increase/ Decrease in share-holding	Reason	No. of shares held	% of total shares of the company
5	Sanghamitra Samal	0	0.00				0	0.00
				15/11/2019	500000	Transfer	500000	0.08
				22/11/2019	500000	Transfer	1000000	0.17
				29/11/2019	500000	Transfer	1500000	0.25
				13/12/2019	500000	Transfer	2000000	0.34
	At the end of the Year						2000000	0.34
6	Ashok Mittal	0	0.00				0	0.00
				14/02/2020	2000000	Transfer	2000000	0.34
	At the end of the Year						2000000	0.34
7	Shafaliben Dhiren Kapadia	480000	0.08				480000	0.08
				27/09/2019	304500	Transfer	784500	0.13
				11/10/2019	501	Transfer	785001	0.13
				31/12/2019	486282	Transfer	1271283	0.21
				03/01/2020	33718	Transfer	1305001	0.22
				17/01/2020	500000	Transfer	1805001	0.30
	At the end of the Year						1805001	0.30
8	Sharekhan Limited	987686	0.17				987686	0.17
				05/04/2019	(104430)	Transfer	883256	0.15
				12/04/2019	167814	Transfer	1051070	0.18
				19/04/2019	(105635)	Transfer	945435	0.16
				26/04/2019	47495	Transfer	992930	0.17
				03/05/2019	(59597)	Transfer	933333	0.16
				10/05/2019	(36041)	Transfer	897292	0.15
				17/05/2019	229402	Transfer	1126694	0.19
				24/05/2019	578579	Transfer	1705273	0.29
				31/05/2019	(745256)	Transfer	960017	0.16
				07/06/2019	64160	Transfer	1024177	0.17
				14/06/2019	89878	Transfer	1114055	0.19
				21/06/2019	87466	Transfer	1201521	0.20
				29/06/2019	(135177)	Transfer	1066344	0.18
				05/07/2019	(28240)	Transfer	1038104	0.17
				12/07/2019	145152	Transfer	1183256	0.20
				19/07/2019	(100888)	Transfer	1082368	0.18
				26/07/2019	5999	Transfer	1088367	0.18
				02/08/2019	(28142)	Transfer	1060225	0.17
				09/08/2019	(59283)	Transfer	1000942	0.16
				16/08/2019	(54381)	Transfer	946561	0.15
				23/08/2019	8595	Transfer	955156	0.16
				30/08/2019	(35135)	Transfer	920021	0.15
				06/09/2019	22490	Transfer	942511	0.16
				13/09/2019	(282890)	Transfer	659621	0.11
				20/09/2019	62296	Transfer	721917	0.12
				27/09/2019	(66526)	Transfer	655391	0.11
				30/09/2019	(9420)	Transfer	645971	0.10
				04/10/2019	27504	Transfer	673475	0.11
				11/10/2019	(28513)	Transfer	644962	0.10

Sr. No.	Name	Shareholding at the beginning of the year 01/04/2019		Transactions during the year			Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of shares held	% of total shares of the company	Date of Transaction	Increase/ Decrease in share-holding	Reason	No. of shares held	% of total shares of the company
				18/10/2019	20720	Transfer	665682	0.11
				25/10/2019	(8783)	Transfer	656899	0.10
				01/11/2019	98705	Transfer	755604	0.13
				08/11/2019	183542	Transfer	939146	0.16
				15/11/2019	271310	Transfer	1210456	0.20
				22/11/2019	(104932)	Transfer	1105524	0.19
				29/11/2019	61809	Transfer	1167333	0.20
				06/12/2019	161788	Transfer	1329121	0.22
				13/12/2019	(219595)	Transfer	1109526	0.19
				20/12/2019	(32941)	Transfer	1076585	0.18
				27/12/2019	6187	Transfer	1082772	0.18
				31/12/2019	62408	Transfer	1145180	0.19
				03/01/2020	2375996	Transfer	3521176	0.59
				10/01/2020	(1929921)	Transfer	1591255	0.27
				17/01/2020	(96387)	Transfer	1494868	0.25
				24/01/2020	313318	Transfer	1808186	0.30
				31/01/2020	(167840)	Transfer	1640346	0.28
				07/02/2020	1612823	Transfer	3253169	0.55
				14/02/2020	1762130	Transfer	5015299	0.84
				21/02/2020	(2094991)	Transfer	2920308	0.49
				28/02/2020	(1119882)	Transfer	1800426	0.30
				06/03/2020	13374	Transfer	1813800	0.31
				13/03/2020	183733	Transfer	1997533	0.34
				20/03/2020	(38637)	Transfer	1958896	0.33
				27/03/2020	157313	Transfer	2116209	0.36
				31/03/2020	(353836)	Transfer	1762373	0.30
	At the end of the Year						1762373	0.30
9	LIC of India Market Plus 1 Non Unit Fund	1696073	0.29				1696073	0.29
				12/04/2019	(131000)	Transfer	1565073	0.26
	At the end of the Year						1565073	0.26
10	Druvashiva D	0	0.00				0	0.00
				22/11/2019	68000	Transfer	68000	0.0114
				13/12/2019	364000	Transfer	432000	0.0727
				21/02/2020	468000	Transfer	900000	0.1515
				28/02/2020	656700	Transfer	1556700	0.2620
	At the end of the Year						1556700	0.2620

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01/04/2019		Date of Transaction	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of shares held	% of total shares of the company				No. of shares held	% of total shares of the company
A	**Directors:**							
1	Rahul A. Patel, Chairman and Managing Director	497090	0.08	--	--	--	497090	0.08
	At the end of the Year			--	--	--	497090	0.08
2	Amit D. Patel, Managing Director	398425	0.07	--	--	--	398425	0.07
	At the end of the Year			--	--	--	398425	0.07
3	Dr. Narendra K. Bansal [1]	0	0.00	--	--	--	0	0.00
	At the end of the Year			--	--	--	N.A.	N.A.
4	Dr. Rajesh B. Parikh	100	0.00	--	--	--	100	0.00
	At the end of the Year			--	--	--	100	0.00
5	Maitri Kirankumar Mehta	0	0.00	--	--	--	0	0.00
	At the end of the Year			--	--	--	0	0.00
6	Sunil Kumar Kanojia	0	0.00	--	--	--	0	0.00
	At the end of the Year			--	--	--	0	0.00
7	Vimal R. Ambani [2]	4700	0.00	--	--	--	4700	0.00
	At the end of the Year			--	--	--	N.A.	N.A.
8	Gagan Deep Singh [3]	0	0.00	--	--	--	0	0.00
	At the end of the Year			--	--	--	N.A.	N.A.
9	Sudatta Mandal [4]	N.A.	N.A.	--	--	--	N.A.	N.A.
	At the end of the Year			--	--	--	0	0.00
10	Mayank Devashrayee [5]	N.A.	N.A.	--	--	--	N.A.	N.A.
	At the end of the Year			--	--	--	0	0.00
11	George Samuel [5]	N.A.	N.A.	--	--	--	N.A.	N.A.
	At the end of the Year			--	--	--	0	0.00
12	Pratit Patel [5]	N.A.	N.A.	--	--	--	N.A.	N.A.
	At the end of the Year			--	--	--	0	0.00
13	Jayesh Khatsuria [6]	N.A.	N.A.	--	--	--	N.A.	N.A.
	At the end of the Year			--	--	--	0	0.00
B	**Key Managerial Personnel (KMP's):**							
1	Prashant Shah [7] Head – Accounts & Audit and CFO	0	0.00	--	--	--	0	0.00
	At the end of the Year			--	--	--	N.A.	N.A.
2	Hitesh K. Dihiye [8] Chief Financial Officer	N.A.	N.A.	--	--	--	N.A.	N.A.
	At the end of the Year			--	--	--	0	0.00

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01/04/2019		Date of Transaction	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of shares held	% of total shares of the company				No. of shares held	% of total shares of the company
3	Hitesh T. Mehta, Company Secretary and Compliance Officer	0	0.00	--	--	--	0	0.00
	At the end of the Year			--	--	--	0	0.00

Note:
(1) Ceased to be Independent Directors w.e.f 4th February, 2020, due to sad demise.
(2) Ceased to be Independent Directors w.e.f. 24th June, 2019.
(3) Ceased to be Independent Directors w.e.f. 2nd November, 2019.
(4) Appointed as a Nominee Director w.e.f. 13th August, 2019.
(5) Appointed as Additional Non-Executive Directors in the Category of Independent Directors w.e.f. 13th November, 2019.
(6) Appointed as Additional Non-Executive Directors in the Category of Non-Independent Directors w.e.f. 7th December, 2019.
(7) Ceased to be Head- Accounts & Audit and CFO w.e.f. 17th August, 2019.
(8) Appointed as a CFO w.e.f. 13th November, 2019.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Crore)

Particulars	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness as on 01/04/2019				
(i) Principal Amount*	6,230.78	270.18	-	6,500.96
(ii) Interest accrued on borrowing	20.46	11.50	-	31.96
(iii) Interest accrued but not due	-		-	-
Total (i+ii+iii)	**6,251.24**	**281.68**	**-**	**6,532.92**
Change in Indebtedness during the financial year 2019-20				
Addition	498.29	296.36	-	794.65
Reduction	(711.91)	-	-	(711.91)
Net Change	**(213.62)**	**296.36**	**-**	**82.73**
Indebtedness as on 31/03/2020				
(i) Principal Amount	6,017.16	566.54	-	6,583.70
(ii) Interest accrued on borrowings	556.92	17.25	-	574.17
(iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	**6,574.08**	**583.79**	**-**	**7,157.87**

* Considering the default, temporary loan has been shown as part of Indebtedness.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Rahul A. Patel	Amit D. Patel	Total Amount
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others specify	-	-	-
	Others, please specify	-	-	-
	Total (A)	**-**	**-**	**-**
	Ceiling as per Act @ 10%	-		

* Included in (a) above.

B. Remuneration to other directors: (₹ In Lakhs)

Particulars of Remuneration	Name of Directors											Total Amount
	Dr. N. K. Bansal (up to 04/02/2020)	Dr. Rajesh B. Parikh	Maitri Mehta	Sunil Kumar Kanojia	Vimal R. Ambani (up to 24/06/2019)	Gagan Deep Singh (up to 02/11/2019)	Sudatta Mandal (w.e.f. 13/08/2019)	Mayank Devashrayee (w.e.f. 13/11/2019)	Samuel George (w.e.f. 13/11/2019)	Pratit Patel (w.e.f. 13/11/2019)	Jayesh Khatsuria (w.e.f. 07/12/2019)	
Independent Directors												
Fee for attending board / committee meetings	1.545	3.735	5.28	2.535	0.995	-	-	1.69	2.09	1.84		19.71
Commission	-	-	-	-	-	-	-	-	-	-		-
Others, please specify	-	-	-	-	-	-	-	-	-	-		-
Total (1)	1.545	3.735	5.28	2.535	0.995	-	-	1.69	2.09	1.84		19.71
Other Non-Executive Directors												
Fee for attending Board / committee meetings	-	-	-	-	-	-	1.69	-	-	-	0.845	2.535
Commission	-	-	-	-	-	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-
Total (2)	**-**	**-**	**-**	**-**	**-**	**-**	**1.69**	**-**	**-**	**-**	**0.845**	**2.535**
Total (B)=(1+2)	**1.545**	**3.735**	**5.28**	**2.535**	**0.995**	**-**	**1.69**	**1.69**	**2.09**	**1.84**	**0.845**	**22.245**
Overall Ceiling as per the Act @1%	-											
Total Remuneration (A) + (B)												**-**

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD (Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Prashant Shah Head - Accounts & Audit and CFO (up to 17/08/2019)	Hitesh K. Dihiye Chief Financial Officer (w.e.f. 13/11/2019)	Hitesh Mehta Company Secretary	Total
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	21,20,665	12,51,107	12,09,456	45,81,229
	(b) Value of perquisites u/s 17(2)of the Income Tax, Act 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**21,20,665**	**12,51,107**	**12,09,456**	**45,81,229**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of Companies Act	Brief description	Details of penalty/punishment/ Compounding fees imposed	Authority [RD/ NCLT/Court]	Appeal made, if any give details
A. COMPANY					
Penalty	Nil				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	Nil				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil				
Punishment					
Compounding					

For and on behalf of Board of Directors

Rahul A. Patel
Chairman & Managing Director
(DIN : 00171198)

Place: Ahmedabad
Date: 25th June, 2020

ANNEXURE - F to Directors' Report

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L17110GJ1931PLC000454
2. **Name of the Company:** Sintex Industries Limited
3. **Registered Office address:** Kalol - 382 721, Dist: Gandhinagar, Gujarat.
4. **Website:** www.sintex.in
5. **E-mail id:** share@sintex.co.in
6. **Financial Year reported:** 1st April, 2019 to 31st March, 2020.
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Industrial Group	Description
131	Spinning, weaving and finishing of textiles

As per National Industrial Classification- Ministry of Statistics and Programme Implementation.

8. **List three key products/services that the Company manufactures / provides (as in balance sheet):**
   Manufacture of Yarn and Cloth/Fabrics

9. **Total number of locations where business activity is undertaken by the Company:**
   (a) Number of International Locations: NIL
   (b) Number of National Locations: Three

10. **Markets served by the Company:** Local, State, National and International

The Company served entire domestic market and export internationally in various Countries like Bangladesh, Peru, Pakistan, Portugal, Egypt, Vietnam, Italy, Hongkong, Taiwan, China, Turkey, USA etc.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR):** 59.41 Crores (as at 31st March, 2020)
2. **Total Turnover (INR):** 1634.92 Crores
3. **Total profit/Loss after taxes (INR):** (1249.98) Crores
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**

   The company is undergoing substantial financial stress and severe liquidity constraints during the year coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits with delay in disbursements, Covid-19 related disruptions etc. which has resulted into reduction in capacity utilization of its plants and, therefore, steep fall in sales volume and incurring of losses. The company has defaulted in debt obligation of debentures aggregating to ₹ 466.67 Crores for the period June 2019 to March 2020 apart from other credit facilities. Further, Company's inability to meet its obligation in relation to the payment of certain letters of credit which led to devolvement and consequent over utilization of the cash credit facilities availed by the Company for more than 30 days, delay in payment of certain term loan instalments as well as interest. Hence, the Company was unable to spend towards CSR Activities during the financial year.

5. **List of activities in which expenditure in 4 above has been incurred:**
   Not Applicable.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**
   Yes, the Company has one Subsidiary Company namely M/s. BVM Overseas Limited as on 31st March, 2020.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).**
   Business Responsibility initiatives of the Parent Company are applicable to the subsidiary company to the extent that they are material in relation to the business activities of the subsidiary.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**
   No other entity / entities participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. **DIN Number:** 0017198
2. **Name:** Mr. Rahul A. Patel
3. **Designation:** Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	0017198
2	Name	Mr. Rahul A. Patel
3	Designation	Managing Director
4	Telephone number	02764-253000
5	e-mail id	share@sintex.co.in

2. Principle-wise (as per NVGs) BR Policy/policies

P1– Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2– Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3– Businesses should promote the well-being of all employees
P4– Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5– Businesses should respect and promote human rights
P6– Businesses should respect, protect, and make efforts to restore the environment
P7– Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8– Businesses should support inclusive growth and equitable development
P9– Businesses should engage with, and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted best practices in its own volition. However, while formulating the policies and adopting the same, the Company has been sensitive to the Stakeholders and further, engaged experts of repute, as and when felt necessary.								
3	Does the policy conform to any national / international standards? If yes, specify?	All the policies are compliant with respective principles of NVG Guidelines.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?*	Since all the policies are not required to be approved by the Board, the approval of the Board has been obtained, where it is mandatory.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.sintex.in (for i. Code of Conduct; ii. Policy for Prohibition of Insider Trading and iii. Whistle Blower Policy.)								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal Stakeholders. External Stakeholders are communicated to the extent applicable.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

* No, it is not signed.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The Managing Directors periodically assess the BR performance of the Company.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This report comprises the Company's first Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic responsibility of Business (NVG). The Company currently does not publish a separate sustainability Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers Contractors/NGOs /Others?

The Company has adopted a Code of Conduct for its Directors and Senior Management personnel. Additionally, the Policy on Code of Conduct for Employees applies to all employees of the Company and its Subsidiary. These do not extend to any other entities.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No stakeholder complaints pertaining to the above Codes were received in the past financial year.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

(a) As presently, the Company is into manufacturing of 100% grey yarn from cotton, Polyester cotton blends. There are no social or environmental concerns in any of the products. The Company is not into sales of any kind of services. However, the Company provides after sales technical support to its Customers, in case they face any quality issue in the products supplied by us. The Company is not into designing the products, but transforming input raw material to the end product by using the process, technology & skills. The end product is Industrial product & not for end use by the retail customers.

(b) Risks: Any changes in the state/Centre government policies, volatility in the prices of raw material, increasing competition & availability of skilled manpower might be the risks in our defined context.

(c) Opportunities: In future, the Company shall be in a position to offer single shop buying to its customers by widenening its product base, better customer retention due to availability of latest art & technology.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Presently Company is into the Quality & Customer base establishment phase, for which the Company need to provide better quality & services to its customers to have an edge over competitors, so there is no reduction in the usage of resources per unit of the output product.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

It is difficult to quantify the exact quantity in terms of reduction achieved in energy and water by the consumers.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

No specific procedures have been adopted for sustainable sourcing.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company and its contractors endeavour to provide hygiene and healthy working environment to workers at sites including training to improve the capabilities of the local work force.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

There is no recycling of the products, but the waste generated during the manufacturing process is recyclable with limit of 5%.

At each stage of the process, there are two kind of waste generation i.e. saleable & recyclable waste (Soft waste), the total % age of the soft waste generation is always below 5.0% & it is mixed in the blowroom mixing laydown. The waste generated at Carding due to end breaks, batch change, joint material waste at breaker, finisher draw frames, lap former, comber, speed frame stage & the pneumafil waste generated at Ring frame stage is called as soft waste & is recycled.

Principle 3

1. Please indicate the Total number of employees.

The Company's textiles business (fabric and yarn) is managed by a team comprising around 5702 workforce as on 31st March, 2020, who are expert in their area of operations.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

As on 31st March, 2020-
Temporary 0 Contractual: 931 Casual: 16 @ Site
Casual: 18 @ H.O. (Office Boy)

3. Please indicate the Number of permanent women employees.

As on 31st March, 2020-
Staff: 13 Workers: 1066 Total: 1079

4. Please indicate the Number of permanent employees with disabilities

Under the provisions of Gujarat Physically Handicapped Persons (Employment in Factories) Act 1982 there are 4 permanent employees with disabilities as on 31st March, 2020.

5. Do you have an employee association that is recognized by management?

Nil

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a)	Permanent Employees	100% employees were given Safety & Skill-up gradation training
(b)	Permanent Women Employees	100% employees were given Safety & Skill-up gradation training
(c)	Casual/Temporary/Contractual Employees	100% employees were given Safety & Skill-up gradation training
(d)	Employees with Disabilities	100% employees were given Safety & Skill-up gradation training

Principle 4

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes. The key Stakeholders of the Company are employees, customers, government authorities, suppliers, local communities and shareholders.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Not Applicable

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   Not Applicable

Principle 5

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The Company's policy and practices relating to protection of human rights viz., non-engagement of child labour, assuring safety measures etc. is applicable to the Company and its subsidiary.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No stakeholder complaints were received during the last financial year.

Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

   Environment policy of the Company does not extend to any other entities.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, the Company is committed to addressing the global environmental issues such as climate change and global warming through energy conservation, efficient natural resource utilisation and adoption of cleaner energy sources such as solar power.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes, the Company has a mechanism to identify and assess potential risks in its plants and projects.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   No

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes, the Company has successfully implemented 3 MW Solar Roof Top Power Project.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions/waste generated by the Company are within the permissible limits given by CPCB/SPCB.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   Nil

Principle 7

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes. The Company is a Member of Textile Association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   No

Principle 8

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

   The programmes/ projects are carried out directly by the Company itself wherever possible.

3. **Have you done any impact assessment of your initiative?**

   Yes, the Company has conducted impact assessment of its CSR initiatives in past.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   During the year, the company is undergoing substantial financial stress and severe liquidity constraints coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits with delay in disbursements. Hence, the Company has not contributed towards community development projects.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Not Applicable.

Principle 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   Nil

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)**

   There are detailed products information with lot numbers etc. on the cone labels and cartons /Pallets which is good enough for the customer to identify the products and use them appropriately.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No such cases pending.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   The Company get updates on mails/phones for quality of goods supplied by it. Further, from time to time, the Company is sending feedback forms to get consumer satisfaction trends.

ANNEXURE - G to Directors' Report

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **The ratio of the remuneration of each director to the median employee's remuneration for the financial year 2019-20 and the percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary in the financial year 2019-20:**

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director/KMP for financial year 2019-20 (₹ in Lakhs)	% increase in Remuneration in the Financial Year 2019-20	Ratio of remuneration of each Director/ to median remuneration of employees
1.	Dr. N. K. Bansal, Independent and Non-Executive Director (1)	1.55*	(73.72)	0.93:1
2.	Dr. Rajesh B. Parikh, Independent and Non-Executive Director	3.74*	(3.86)	2.26:1
3.	Maitri Mehta, Independent and Non-Executive Director	5.28*	6.02	3.19:1
4.	Sunil Kumar Kanojia, Independent and Non-Executive Director	2.54*	(25.00)	1.53:1
5.	Vimal R. Ambani, Independent and Non-Executive Director (2)	1.00*	(45.92)	0.60:1
6.	Gagan Deep Singh, Independent and Non-Executive Director (3)	Nil	N.A.	N.A.
7.	Sudatta Mandal, Nominee Director(4)	1.69*	N.A.	1.02:1
8.	Mayank Devashrayee, Independent and Non-Executive Director (5)	1.69*	N.A.	1.02:1
9.	Samuel George, Independent and Non-Executive Director (5)	2.09	N.A.	1.26:1
10.	Pratit Patel, Independent and Non-Executive Director (5)	1.84*	N.A.	1.11:1
11.	Jayesh Khatsuria, Non-Independent and Non-Executive Director (6)	0.85*	N.A.	0.51:1
12.	Rahul A. Patel, Chairman and Managing Director	Nil	N.A.	N.A.
13.	Amit D. Patel, Managing Director	Nil	N.A.	N.A.
14.	Hitesh T. Mehta, Company Secretary	12.09	(4.69)	7.32:1
13.	Prashant D. Shah, Head – Accounts & Audit and CFO	21.21	N.A.	12.83:1
14.	Hitesh Dihiye, Chief Financial Officer	12.51	N.A.	7.57:1

N.A. – Not Applicable. * Reflects sitting fees only.

Note : % increase in Remuneration in the Financial Year 2019-20 and Ratio of remuneration of each Director to median remuneration of employees are not comparable in following instances;

(1) Sad demise of Dr. Narendra Kumar Bansal on 04.02.2020.
(2) Vimal R. Ambani ceased to be Director w.e.f 24.06.2019.
(3) Gagan Deep Singh ceased to be Director w.e.f 02.11.2019.
(4) Sudatta Mandal appointed as Nominee Director on behalf "Exim Bank" on the Company's Board w.e.f. 13.08.2019.
(5) Samuel George, Mayank Devashrayee and Pratit Patel appointed as Additional Independent Directors w.e.f. 13.11.2019.
(6) Jayesh Khatsuria appointed Additional Non-Executive Director w.e.f. 07.12. 2019 by circular resolution.
(7) Hitesh Dihiye appointed as Chief Financial Officer w.e.f 13.11.2019.

2. The percentage increase in the median remuneration of employees in the financial year :

   During FY 2019-20, the percentage increase in the median remuneration of employees as compared to previous year was approximately 2.99 %.

3. There were 5702 permanent employees on the rolls of company as on 31st March 2020.

4. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

   - Average increase in the salaries of Employees other than the managerial personnel in the financial year by 2.93%.
   - There is no increase in the managerial remuneration.

5. It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy.

Management Discussion and Analysis

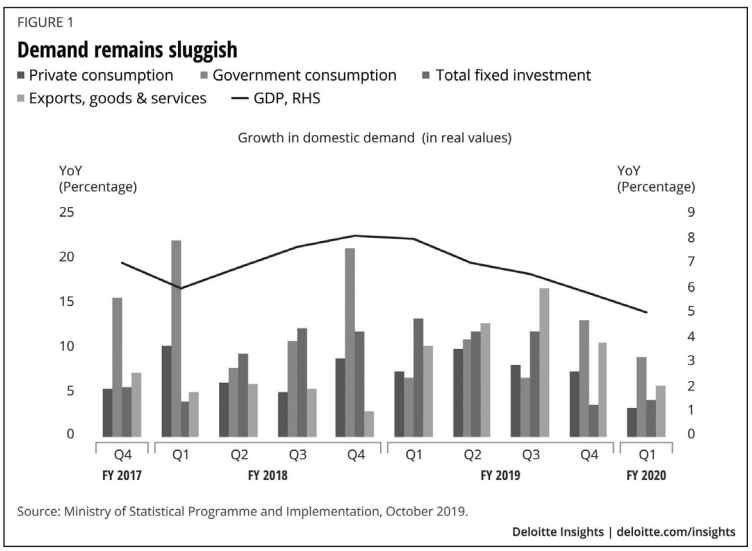
India's economic overview

India is emerging as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

However, global economy faced challenges in 2019 with world output growth showing sluggish pace of 2.9%, lowest since the global financial crisis in 2009. A weak environment for global manufacturing, trade and demand adversely impacted the Indian economy too.

India's GDP growth rate was estimated to be 5% in FY 2019-20 way lower as compared to 6.8% in FY 2018-19. The GDP growth decelerated for the sixth consecutive quarter. In the first half of 2019-20 (April-September), GDP was estimated to grow at 4.8% as compared to the 2nd half of 2018-19 (October-March) at 6.2%.

Three of the four growth engines: private consumption, private investment, and exports slowed down significantly. Consumption, the biggest contributor of growth, fell to an 18-quarter low of 3.1 percent in Q1 FY2019–20, pointing to fragile consumer sentiment and purchasing ability. Investments grew 4 percent, marginally up from 3.6 percent in the previous quarter. Exports grew 5.7 percent and remained volatile owing to global uncertainties around trade and investments and geopolitical tensions. The fourth engine, government consumption and investment, ran out of steam because of the limited elbow room the government had for counter-cyclical spending as the budget deficit remained under pressure.



According to Ministry of commerce and Industry press release, India's overall exports (Merchandise and Services combined) in April-March 2019-20* were estimated to be 528.45 bn USD, exhibiting a negative growth of (-) 1.36 per cent over the same period last year. Overall imports in April-March 2019-20* were estimated to be 598.61 bn USD, exhibiting a negative growth of (-) 6.33 per cent over the same period last year.

*Note: The latest data for services sector released by RBI is for February 2020. The data for March 2020 is an estimation.

Exports in March 2020 were 21.41 bn USD, as compared to 32.72 bn USD in March 2019, exhibiting a negative growth of (-) 34.57 per cent. The decline in exports has been mainly due to the ongoing global slowdown, which got aggravated due to the current Covid-19 crisis. The latter resulted in large scale disruptions in supply chains and demand resulting in cancellation of orders.

Major commodity groups which have recorded negative growth during March 2020 vis-à-vis March 2019 are Oil meals (-69.85%), Meat, dairy & poultry products (-45.48%), Engineering goods (-42.32%), Gems & jewellery (-41.05%), Leather & leather products (-36.78%), Plastic & Linoleum (-35.67%), RMG of all textiles (-34.91%), Carpet (-34.72%), Mica, Coal & other ores, minerals including processed minerals (-34.06%), Tea (-33.74%), Other cereals (-33.42%), Organic & inorganic chemicals (-32.88%), Cotton yarn/fabrics/made-ups, Handloom products etc. (-32.16%), Petroleum products (-31.12%) and Rice (-28.28%).

Services sector was estimated to grow at 6.9% in 2019-20 as compared to 7.5% in 2018-19. Sub-sectors such as trade, hotels, transport, communication & services related to broadcasting, financial and real estate services saw a deceleration during this period.

As per Ministry of Finance, Index of Industrial Production (IIP) registered a growth of 0.9 per cent in April-February 2019- 20, as compared to 4.0 per cent during April-February 2018-19. The manufacturing sector's growth during April-February 2019-20 was 0.6 per cent, lower as compared to 3.9 per cent during the corresponding period of previous year.

India's foreign exchange reserves were Rs 33.98 lakh crore (476.09 bn USD) in the week up to February 14, 2020, according to data from the RBI.

On the supply side, excess idle production capacity, weakening corporate profits, and infrastructure bottlenecks slowed down investment in production facilities and hiring.

Manufacturing activities were subdued due to a decrease in domestic demand for key sectors such as automotive and pharmaceuticals. Growth of agriculture sector declined to 2.8% in FY 2019-20.

Government initiatives:

- Financial restructuring: The INR 70,000 crores of upfront capital infusion in public sector banks (PSBs) and the merger of 10 PSBs to form four larger banks are likely to infuse capital into banks, improve liquidity in the economy, and enhance their lending capacity.
- Sectoral reforms: Several reforms have been announced to boost the real estate, auto, and export industries, among others.
- Corporate tax rate cuts: The government announced a cut in corporate tax rate to 22 percent from 30 percent, excluding surcharge and cess. With lower corporate tax rates, the government has tried to address supply-side issues. Lower tax expenses will likely enhance profitability of companies that, in turn, will likely improve business confidence and spur capital investment. The new rates bring India closer to, and in some cases even lower than, the corporate rates prevalent in many emerging and industrialized countries. This puts Indian companies on a better footing to compete with peers in the global market.
- Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India.
- India improved its ranking in the World Bank's Ease of Doing Business Report by 14 spots over last year and is ranked 63rd among 190 countries in 2020 edition of the report.

The textile industry

The Indian textile industry is amongst the most important industries for the Indian economy considering its contribution to generation of employment, industrial output, and foreign exchange earnings.

Indian Textiles and Apparel is a 150 bn USD plus industry providing direct employment to over 45 million people and accounts for 12% of India's Industrial production. In terms of capacity, the industry has the second largest vertically integrated textiles production base in the world after China. The emerging tendency to spend more on life style products and the spread of organised retailing and e-retailing to smaller towns and even rural areas, has increased the demand for textile products in the domestic market. The industry is expected to grow substantially in the upcoming years and also in the long run.

Among the value chain of the textile industry, that comprises spinning, weaving, processing and garmenting, the spinning sector attained considerable strength in recent years, but the weaving, processing and apparel sectors are yet to attain competitive efficiency.

Apart from the availability of cheap and abundant labour, India's share in the global textile exports is only minuscule.

Government thrust on textiles

The Indian textile industry occupies a prominent place in India's economic development. Hence, the textile industry receives significant attention and resources from the Government through policy changes and allocations in the Union Budget.
The Budget addressed following important points related to textile, apparel and fashion industry:
Following are the features of India budget 2020 announced for the textile industry

- Abolishment of anti-dumping duty on PTA
- National Technical Textiles Mission to be set up
- Review of Rules of Origin in FTAs
- Schemes for Remission of Duties & Taxes levied on Export Products (RODTEP)
- Budget Grant for Procurement of Cotton by Cotton Corporation under Price Support Scheme has reduced to Rs 0.01 Cr for 2020-21 compared to Rs 2,017.57 Cr in 2019-20
- Customs duty raised on items like footwear (from 25 to 35 per cent; 15 to 20 on footwear parts)

Other policy initiatives

- National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of Rs 1,480 crore (211.76 mn USD).
- New Textiles Policy 2020 is expected to be released by the Ministry of Textiles.

Going forward

- The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumer and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next.
- High economic growth has resulted in a higher disposable income. This has led to a rise in demand for products creating a huge domestic market.
- Government of India is focussing on doubling the textile revenue to 300 bn USD by Year 2025

Textile & Clothing segment

World Trade in 2019 has been facing strong headwinds mainly on account of a sluggish global demand exacerbated by rising uncertainties due to growing trade tensions between USA and China. The uncertainty created by the trade challenges like protectionism, trade tensions and tightening of financial conditions started weighing on investment, hiring and consumption.

Growth rate of Germany, the trade powerhouse of Europe has fallen below zero. Britain exited from the European Union. Trade hostilities have engrossed the top global suppliers including China, Japan and South Korea. The U.S. growth too has slowed partly because of the damaging trade conflicts.

Coupled with the volatility in financial markets and tighter monetary policy conditions, this financial year presented stiff challenges for global trade growth and output.

Foreign Trade: In 2018, the value of world merchandise exports increased to 19.47 trillion USD from 17.73 trillion USD in 2017 i.e. a growth of 9.83%. However, the share of textile and clothing in overall merchandise trade in 2018 decreased marginally to 4.11% from 4.28% in 2017 due to strong headwinds on account of a gloomy global economic outlook.

By all accounts, the fiscal year gone by can be termed as a challenging year characterised by uncertainty and a slowdown in the global economy. Tariffs which were meant to integrate global trade became a weapon for unilateral action thereby disrupting the trends in global trade.

World trade in textile & clothing: World trade in Textiles and clothing exports reported a decline of (-) 2.43% in 2019 declining from 389.40 bn USD during January-June 2018 to 379.94 bn USD during January-June 2019.

India being the 3rd largest exporter of T&C to the world after China & Bangladesh, reported a decline of (-) 2.24% with an export of 18.96 bn USD during January-June 2019.

Description	January - June (Fig in mn USD)		% change in Year 2019
	Year 2018	Year 2019	
World trade in Textile & Clothing – Exports	389405	379945	-2.43
India's trade in Textile & Clothing – Exports	19402	18967	-2.24
World trade in Textile & Clothing - Imports	343865	336144	-2.25

Source: TEXPROCIL

World trade in Textiles and clothing imports reported a decline of (-) 2.25% in 2019.

World trade in textile: World trade in Textiles export reported a decline of (-) 3.70% in 2019, declining from 177.31 bn USD during January-June 2018 to 170.75 bn USD during January-June 2019.

Description	January - June (Fig in mn USD)		% change in Year 2019
	Year 2018	Year 2019	
World trade in Textile - Exports	177314	170751	-3.70
World trade in Textile – Imports	151353	144621	-4.45
World trade in Cotton Textile - Imports	51292	48892	-4.68

Source: TEXPROCIL

World trade in Textiles import trade reported a decline of (-) 4.45% in 2019.

World trade in Cotton textiles reported a decline of (-) 4.68% in 2019

The spinning segment

World trade in cotton yarn: Overall world trade imports of cotton yarn have declined by (-) 11.15% during the period January-June 2019. During January-June 2019, all other importers amongst the top ten registered negative growth except Vietnam.

World trade in cotton yarn reported a decline of (-) 10.33% in 2019, declining from 7.61 bn USD during January-June 2018 to 6.83 bn USD during January-June 2019.

Description	January - June (Fig in mn USD)		% change in Year 2019
	Year 2018	Year 2019	
World trade in Cotton yarn – Exports	7618	6831	-10.33
India's trade in Cotton yarn - Exports	2017	1614	-20.2
World trade in Cotton yarn - Imports	7094	6303	-11.15

Source: TEXPROCIL

India, the largest exporter reported a decline of (-) 20.02% with an export of 1.61 bn USD during January-June 2019.

India has the second largest spinning capacity with 20% of global share in world spinning capacity with 52.0 mn spindles after China.

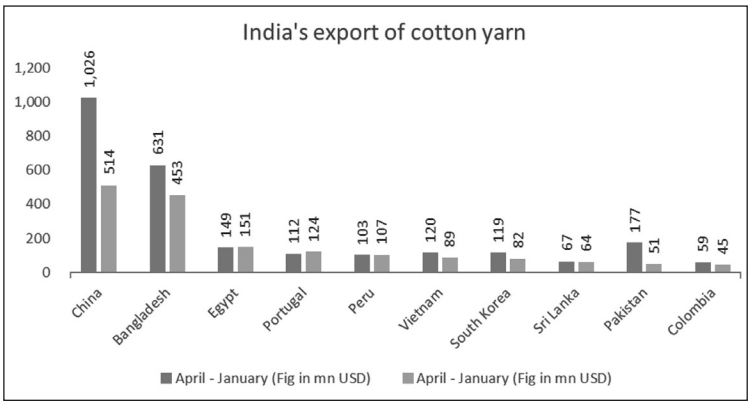
Indian spinning industry is growing due to abundant availability of raw material and growth in domestic and export markets.

Being the largest cotton producer globally and the second most populous nation in the world, has enabled India to emerge as one of the largest cotton yarn manufacturer and exporter globally.

The prospects of the spinning industry are closely interwoven with the prospects of the global textile industry as India exports close to a third of its yarn output to global destinations.

The trade war between China and USA has impacted Indian spinners badly. Trade war started when USA announced to impose tariffs on as much as 25 percent on 34 bn USD on Chinese imports. China responded with retaliatory tariffs on its major items to the US. This full-fledged trade war impacted badly on the world economy and resulted in global repercussions.

Below chart indicates India's export of cotton yarn from April 2019 to January 2020

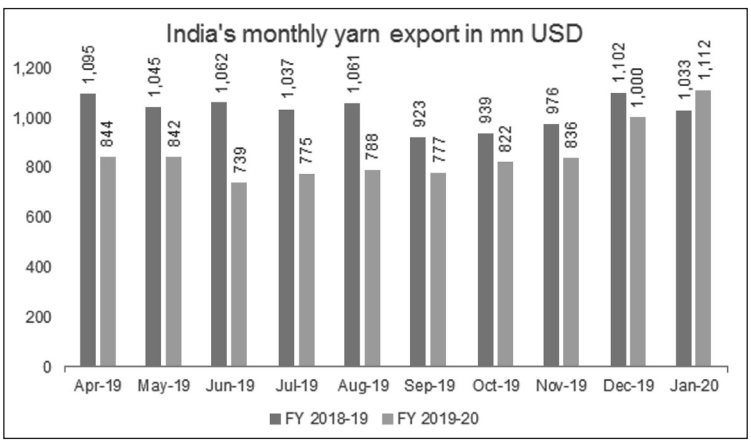


Source: TEXPROCIL

India's export of cotton yarn has reduced by 30% over last financial year (April 2019– January 2020). China is the single largest market for export of cotton yarn from India. It holds more than 30 percent share. This year, its share has been reduced from 31.51% to 22.54% (- 8.97%). On actual terms, India's export to China has fallen by almost 50%. Barring a small increase in exports to Portugal and Peru by 10% and 3% respectively, exports to all other major destinations such as Bangladesh, Vietnam and South Korea declined by 28.26%, 25,63% and 31.09% respectively.

From August 2019, trade relations between India and Pakistan were suspended. This step hampered cotton yarn export to Pakistan.

Below chart shows India's monthly cotton yarn export to the world in mn USD



Source: TEXPROCIL

Till October 2019 due to high cotton prices and trade war between USA & China, India's cotton yarn exports have reduced but after the arrival of new crop in the month of October, situation started improving. In the month of November & December India's cotton yarn exports narrowed over last year by -17.5% and -11.5% respectively.

In mid of December, United States and China signed the long-anticipated 'Phase One' agreement which constitutes substantial share of textile items. This step created positive sentiments in the Indian textile industry. It resulted in generation of demand for yarn and fabric in domestic market. Also Indian cotton prices became lucrative and things started looking much better. Hence, in the month of January 2020 yarn exports surged by 2.3% over last year.

After resumption of trade talks between USA & China, the textile Industry was expecting a boost in trade after Chinese New year. However, during spring festival, the outbreak of Coronavirus (2019-nCOV or COVID-19) in Wuhan region delayed operations in most of Chinese textile provinces. The situation is yet to be normalised. Due to delay in yarn exports to China, domestic textile industry was impacted.

There is pressure of unsold inventory across the spinning sector. The critical situation has pushed a large number of small and medium yarn producing units on the brink of closure.

Although Indian governments announced a new textile policy, speedy clearance of pending claims under the TUFS, implementation of the Remission of Duties and Taxes on Exported Products (RoDTEP) across the entire textile value chain and simplification of GST procedures, however these initiative proved to be futile.

Major challenges:
India is lagging in cotton yarn exports to major markets due to a duty disadvantage vis-a-vis Bangladesh, Vietnam and Pakistan. China, the largest importer of cotton yarn, has replaced India with Vietnam and Indonesia, as they have duty-free access while Indian yarn carries a 3.5% import duty.
Similarly, 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.

Since cotton yarn is the only segment which is not covered under Merchandise Exports from India Scheme (MEIS), the Confederation of Indian Textile Industry has requested the Government to cover cotton yarn under MEIS. This will boost India's cotton yarn exports and penetrate new markets especially in Africa.

Raw Cotton
In the beginning of this financial year (cotton crop Year 2018-19), owing to a shortage of cotton availability, international cotton prices corrected at a sharp pace. This was driven by a higher-than-average global cotton stock-to-use ratio. Lower consumption arrested the pace of decline in the global cotton stocks along with healthy crop expectations for year 2019-20. As a result, the spread between the Indian and the international cotton prices, which typically remains at ~5-7%, with international cotton mostly trading at a premium; reversed and domestic cotton remained +7-9% more expensive vis-a-vis international cotton in first two quarters of year 2019-20.

The cotton crop estimate for the season 2019-20 is retained by the CAI at 354.50 lakh bales. (Date: 5th March 2020) The yearly consumption is estimated by the CAI at 331 lakh bales. The MSP of cotton for the 2019-20 season was Rs 5,550 per quintal, against Rs 5,450 in the previous year. Indian farmers had achieved a record cotton-sowing of over 125 lakh hectare and with sufficient rainfall, the country's cotton crop was good especially during September and mid-October.

The spinning vertical
Sintex has set up a 7 lakh spindle spinning unit at Pipavav a major sea port in Gujarat. It produces 100% cotton combed compact, 100% carded compact and 100% wet linen and various blended yarns such as poly/cotton, specialty blends such as flax/cotton, flax/viscose, cotton/modal, 100% micro modal and blends with dope dyed fibers. etc.

"State of the art" digital technology commensurate with industry 4.0 accreditation, sophisticated machines and highest degree of automation has ensured that the facility operates on a 'No Touch' principle.

The product basket includes 100% cotton yarn (Ne 10s to Ne 140s) compact weaving and knitting yarns in combed varieties to cater to leading weavers and knitters in India and across the globe.

Sintex is exporting its yarns to over 50 nations.

Some reputed Indian textile brands namely Arrow, Van Heusen, Park Avenue, Colorplus, Parx have shown preference to Sintex's yarns over others.

Performance in FY 2019-20

The Company's sales volumes and net sales decreased by 40% and 42% respectively over the previous year.

Detailed note on performance review

a. Reduction in plant utilisation actual v/s planned due to Working Capital shortage

This year, global challenges such as Eurozone crises, trade war between USA & China, trade suspension between India & Pakistan, Indian FTA's with Indonesia and Vietnam, Chinese FTA's with Pakistan & Vietnam impacted the company's growth prospects.

The company faced stiff liquidity and working capital challenges. This was mainly due to volatility in global textile market. The company sold its yarns in export and domestic market especially to weavers and knitters who convert its yarn in fabric and garments. Due to uncertainty in the world market, the end customer's fabric and garment orders got delayed. The orders were shifted to different markets and even got cancelled. Thus the company could not get its payment receivables on time.

Normally, in a textile value chain, the minimum manufacturing cycle of 90 days (Cotton to garment) is considered as an optimum period. However, it got extended to 180 days. This has adversely impacted on the company's working capital cycle.

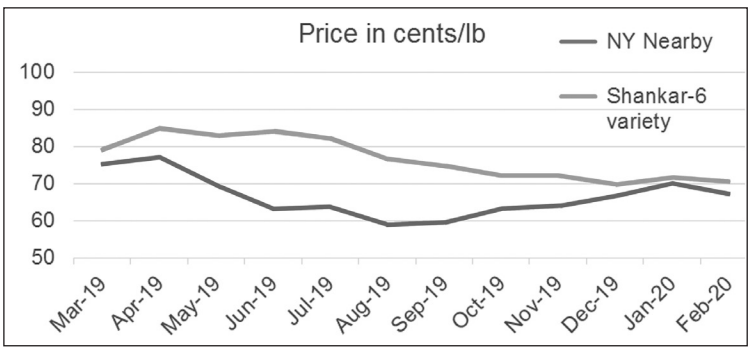
The company has to pay in advance or in cash for procurement of raw materials such as cotton, polyester, flax and viscose. But it could not receive payment for yarn sale within 30 days. Thus, payment cycles were pushed to 60 days. Also, if Work in Progress (WIP) is counted it extends up to 75 days. Hence, this has created heavy burden on functioning of the company's WC funds. This in turn has resulted in shrinking of its working capital funds by 50%. Further, WC reduction has resulted in reducing the company's plant utilisation to 57% from actual planned value of 95%. This is considered to be a major blow to the company.

Due to the shrinkage of the company's working capital funds, different sets of machines were needed to shut down frequently in different units. Hence, the company faced a big loss on spindle utilisation front. The company has taken precautionary measures to save its fixed costs such as salaries, administrative and overhead. However, the control on electricity cost in variable as well as fixed costs proved to be beyond its control. Electricity consumption increased drastically, which led to an increase in cost / kg of yarn. Even sometimes variable as well as fixed cost shot up abruptly due to low utilisation. Working capital shortage led to reduce plant utilisation, increase in cost of manufacturing.

b. This year during FY 2019-20, profitability took a steep dip owing to the fact that Indian cotton price was much higher vis-a-vis US and other countries

From April 2019, onward Indian cotton prices started increasing over international prices. Normally Indian cotton prices are lower by 6 to 7 cents/lb or equal to international cotton prices. However, situation got reversed in FY 2019-20. International cotton prices remained lower by 9 to 10 cents/lb to Indian cotton prices. This was a major setback to the company's yarn export. This situation remained same until the arrival of new crop in October 2019. International buyers quote yarn price based on prevailing international cotton price. The company's yarn price was costly due to high cotton price. International buyers were quoting price of yarn based on prevailing international cotton price. The company had to sell yarn at low price thus it impacted profitability.

Below chart depicts Cotton Prices: NY Nearby Vs Indian Shankar 6:



Source: Cotton Incorporated

c. Steep fall in import by china from India due to USA & China trade war

This year the company's business suffered due to the trade war between USA & China.

China is the largest buyer of cotton yarn in the world. The company was heavily dependent on Chinese big fabric manufacturers for its yarn export sale. However, trade war between USA and China dented its prospects. The company's major Chinese customers preferred to buy yarns from Vietnam and Pakistan due to its competitive price. These two countries have duty free access to China. Hence, their yarn price was cheaper than the company's yarn price. Weak export has exerted pressure on the company's domestic sale. As a result, yarn prices in domestic market fell due to oversupply situation.

The company is selling more than 60% of its yarn in export market. Indian currency remained strong in the first two quarters. The trade war reduced the export sale and the company had to sell its yarn in domestic market. In the domestic market yarn prices came under pressure. This reflected to reduce EBIDTA margins.

d. With the arrival of new bumper crop from November 2019 the company was expecting surge in demand for cotton yarn from China

New cotton crop arrival started in the month of November and Indian cotton prices were aligned with international price. In mid of December, USA and China signed the long-anticipated 'Phase One' agreement which constitutes substantial share of textile items created positive sentiments in the Indian textile industry. This resulted in generation of demand for yarn and fabric in domestic and export market in the month of December. Also Indian cotton prices became lucrative and things started looking much better.

Normally, demand from Chinese companies boost in the month of January. However, during Chinese new year in the last week of January, outburst of Coronavirus (2019-nCOV or COVID-1 AWR*(e49) in Wuhan region delayed operations in most of Chinese textile provinces. Thus, company's export sale came to halt. Again from mid of March 2020 nationwide lock down announced. The company has to stop its operation from 21st March onwards.

Conclusion:
This year company suffered immense financial loss due to following reasons:
1) Volatility in the market conditions
2) Working capital shortage
3) High cotton prices
4) Trade war between USA and China
5) Outburst of pandemic

Global volatility from the beginning of the financial year caused setback to the company's liquidity position. Working capital shortage reduced plant utilisation from 95% to 57% Secondly, high Indian cotton prices from April to September, dented company's profit margins. Steep fall in imports by China due to USA & China trade war, strong Indian currency and the domestic yarn prices being under pressure were other reasons to reduce EBIDTA margins of yarn. Thus, company suffered huge financial losses in the first two quarters.

After arrival of new crop in October, the gap between Indian cotton price and international cotton price began to shrink. In mid-December, the trade situation improved between USA and China. This generated new hope for the company. Things started looking much better as Indian cotton prices became lucrative and demand from Chinese companies normalised again in January. However, during the Chinese new year in the last week of January, owing to outbreak of Coronavirus, company's export sale was again ceased to standstill. From mid-March 2020 nationwide lock down was announced in India due to which the company had to stop its operation from 21st March onwards. Outbreak of the pandemic, cancellation of orders, not lifting of yarn in export and domestic market especially in the month of February and March, resulted in reduction of company's yarn sale drastically.

Overall company suffered in first, second and fourth quarter due to the above reasons. From January last week onwards the situation worsened and is yet not on the track.

Future prospects & business outlook

World Health Organization (WHO) declared COVID-19 a Public Health Emergency of International Concern (PHEIC) on January 30, 2020. The infection is spreading out of China to several parts of the world. As per WHO, till date the Novel Coronavirus has spread over 150 countries. Number of cases are increasing and the death toll is on rise. Government of India has taken measures on a war footing to tackle the spread of coronavirus by implementing of strict lockdown.

Cotton and yarn prices started declining. This was due to a domestic supply glut that emerged after exports to China came to a grinding halt. The cessation of shipments to China was caused by the lockdown of shops and factories there, following the outbreak. The company's cotton yarn shipments to China started getting delayed and came to a stand-still due to lack of confirmed orders. The company is finding difficulties in pursuing export orders as in case of any quality or quantity issue after shipment, travelling to China for clearing the cargo will be difficult. Chinese customers have started asking to hold their shipments.

The company is trying to export to countries other than China. However, 11 countries, which buy 41% of India's cotton yarn exports have reported Covid-19 cases. Countries like Bangladesh, Vietnam, Portugal, Philippines started delaying the lifting of yarn. Other countries are reluctant to pay expected yarn prices and are trying to gain undue advantage of the volatile market situation.

The company has started experiencing the impact of Covid-19 because of supply chain disruptions, fall in exports and cancellation of international events and exhibitions. The foreign buyers are deferring payments for goods already shipped and some are not lifting the goods. Fabric and garment exporters from USA, France and Germany are unable to get appointments from buyers for Market Week Exhibition 2020 to be held in New York.

Fashion brands in most of the countries have begun to close their stores as governments in respective countries have advised their residents to avoid venturing in public places. Many retailers such as GAP, H&M, PVH, Levi's are temporarily closing their store network. International brands and retailers are cancelling and postponing orders. Though, the spring 2020 season will be most dramatically hit by this crisis, they are expecting repercussions in the fall 2020 and spring 2021 seasons too.

This year "The Cotton Association of India (CAI) has estimated bumper crop at 354.50 Lac bales for 2019-20 season (bale each of 170 kg). Although it is healthy in terms of quantity but due to MSP intervention by CCI (Currently CCI holds almost 8 million bales), production may not keep in line with ICE Futures which shall govern the yarn prices.

Things are looking tough. Currently there is demand for yarn. However, the supply is disturbed. This situation may continue for at least 1st quarter of 2020-21. If this pandemic situation recovers earlier, then the future shall be positive, the demand will be healthy and spinning industry shall thrive again. Hopefully, the situation will normalise from July 2020 or second quarter of FY 2020-21
The entire textile & clothing industry needs handholding from the Government of India to overcome the current crisis. The company is expecting that GOI shall support the textile industry by stimulus package and address its grievances.

Changes in key financial ratios

The details of changes in the key financial ratios as compared to previous year are stated below:

Particulars	FY 19-20	FY 18-19	Reason for Significant Change, if any
Debtors Turnover (Days)	37	63	This ratio has been improved on account of realization of Receivables.
Inventory Turnover (Days)	37	49	This ratio has been improved on account of optimum utilization of Inventory.
Interest Coverage Ratio (Times)	(0.90)	1.19	The coverage is negative as compared to previous year due to increase in finance cost and loss for the year
Current Ratio (Times)	0.41	0.96	The ratio is lower on account of increase in Current Liabilities.
Debt Equity Ratio (Times)	2.29	1.49	The ratio is higher on account of non payment of borrowing and interest acrrued during the year.
Operating Profit Margin (%)	-21.27	16.22	The margin is negative on account of higher Raw Material cost and other expenses.
Net Profit Margin (%)	-76.46	0.68	N.P margins are lower because of lower EBITDA margin and higher depreciation and finance cost.
Return on Net Worth	-39.94	0.44	The return of networth is low due to loss during the year

Human resource

Sintex firmly believes that its intellectual capital plays a defining role in transforming business strategies into on-ground realities and is the critical catalyst towards sustaining profitable business growth.

In line with this conviction, the management continues to invest in its people capital to nurture skill and build capabilities, which in turn results in sustaining its industry outperformance.

The Company's business (fabric and yarn) is managed by a team comprising 5000+ members who are expert in their area of operations.

Sintex believes that empowering women fosters stability and prosperity in their family and the local area. In keeping with this belief, the Company has recruited a number of female members for managing the operations at its yarn.

The Company is also investing in a residential colony for its workforce with contemporary amenities namely a shopping center, sports field, amphitheater, small cinema hall and a large mess.

Internal control and adequacy

In an increasingly dynamic and competitive business landscape a robust internal control mechanism is an essential business imperative. For it is a critical element in ensuring that the organisation functions in an ethical manner, complies with all legal and regulatory requirements and meets the generally accepted principles of good corporate governance. It is an extension of the overall corporate risk management framework as well as is an integral part of the accounting and financial reporting process.

The Company has in place adequate systems of internal controls and documented procedures covering all financial and operating functions. These have been designed to provide reasonable assurance with regard to maintaining proper accounting control, monitoring operational efficiency, protecting assets from unauthorised use or losses and ensuring reliability of financial and operational information. The internal controls are designed to ensure that financial and other records are reliable for preparing financial statements, collating other data and for maintaining accountability of assets.

Risk management

The Company has a robust risk management framework to identify and mitigate risks arising out of internal as well as external factors. There is a formal monitoring process at unit and company level, wherein new risks are identified, categorised as per impact and probability, mapped to key responsibilities of select managers and managed with appropriate mitigation plan. To ensure transparency and critical assessment, the Company's Risk Management Team coordinates the risk management system and ensures that it continues to remain relevant with evolving economic and sectoral changes. The risk management framework is reviewed annually by the Audit Committee on behalf of the Board.

Cautionary Statement

Statements in this document that are not historical facts are 'forward-looking' statements. These 'forward-looking' statements may include the Company's objectives, strategies, intentions, projections, expectations, and assumptions regarding the business and the markets in which the company operates. The statements are based on information which is currently available to us, and the Company assumes no obligation to update these statements as circumstances change. There may be a material difference between actual results and those expressed herein. The risks, uncertainties and important factors that could influence the Company's operations and business are the global and domestic economic conditions, the market demand and supply, price fluctuations, currency and market fluctuations, changes in the Government's regulations, statutes and tax regimes, and other factors not specifically mentioned herein but those that are common to the industry

Report on Corporate Governance

Company's philosophy on Corporate Governance:

Corporate Governance at Sintex Industries Limited has been a continuous journey and the business goals of the Company are aimed at the overall well-being and welfare of all the constituents of the system. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top level executives, inducting competent professionals across the Organization and putting in place appropriate systems, process and technology.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") is given below:

I. BOARD OF DIRECTORS:

- **Composition:**

The Board comprises of 10 (Ten) Directors drawn from diverse fields/professions as on 31st March, 2020. The Chairman of the Board is Promoter and Managing Director. The Company has 8 Non-Executive Directors, out of which 6 (six) are Independent Directors and out of remaining 2 (two) Directors, 1 (one) is Nominee Director and another one is Non- Independent Director. There is one director in whole time employment, being the Managing Director of the Company.

The composition of the Board is in conformity with Regulation 17 and 17A of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 (hereinafter referred to as "the Act"). All the Directors other than Nominee Director and Independent Directors are liable to retire by rotation.

The total number of Directorships held by the Directors and the position of Membership / Chairmanship on Committees are given below. All the Directors are compliant with the provisions of the Act and SEBI Listing Regulations in this regard.

In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors are members in more than 10 (ten) committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 (five) committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. Relevant details of the Board of Directors as on March 31, 2020 are given below:

Directorships and Membership on Committees:

Sr. No.	Name of the Director	Category [1]	Board Meetings during the FY 2019-20		Attendance at the last AGM	No. of Director-ships in other Public Companies [2]	No. of committee position held in other PublicCompanies [3]		List of Directorship held in Other Listed Companies (Category of Directorship)
			Held during the tenure	Attended	AGM held on 30.09.2019		Chairman	Member	
1.	Rahul A. Patel, Chairman & Managing Director	Promoter & E.D.	4	4	Yes	4	1	2	1. Sintex-BAPL Limited (Debt Listed) (Executive Director) 2. Sintex Plastics Technology Limited (Managing Director) 3. Sintex Prefab and Infra Limited (Debt Listed) (Executive Director)
2.	Amit D. Patel, Managing Director	Promoter & E.D.	4	4	Yes	4	2	4	1. Sintex-BAPL Limited (Debt Listed) (Executive Director) 2. Sintex Plastics Technology Limited (Managing Director) 3. Sintex Prefab and Infra Limited (Debt Listed) (Executive Director)
3.	Dr. Rajesh B. Parikh	I & N.E.D.	4	3	No	1	-	1	Not Applicable
4.	Sunil Kumar Kanojia	I & N.E.D.	4	3	No	-	-	-	Not Applicable
5.	Samuel George [4]	I & N.E.D.	2	2	N.A.	-	-	-	Not Applicable
6.	Mayank Devashrayee [4]	I & N.E.D.	2	2	N.A.	-	-	-	Not Applicable
7.	Pratit Patel [4]	I & N.E.D.	2	2	N.A.	-	-	-	Not Applicable
8.	Sudatta Mandal [5]	Nominee Director	2	2	No	-	-	-	Not Applicable
9.	Jayesh Khatsuria [6]	I & N.E.D.	1	1	N.A.	1	-	-	Not Applicable

10.	Maitri Mehta (7)	I & N.E.D.	4	4	Yes	6	-	3	1. Gujarat Ambuja Exports Limited (Non Executive - Independent Director) 2. Aksharchem (India) Limited (Non Executive - Independent Director) 3. Dishman Carbogen Amcis Limited (Non Executive - Independent Director)
11.	Narendra Kumar Bansal (8)	I & N.E.D.	3	1	No	-	-	-	Not Applicable
12.	Vimal R. Ambani (9)	I & N.E.D.	1	1	N.A.	-	-	-	Not Applicable
13.	Gagan Deep Singh (10)	N.E.D.	2	0	No	-	-	-	Not Applicable

Notes:
(1) Category:
I & N.E.D. – Independent and Non-Executive Director
N.E.D. – Non-Executive Director
E.D. – Executive Director
(2) The Directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, Companies under Section 8 of the Act and Private Limited Companies, which are not the subsidiaries of Public Limited Companies.
(3) Includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies.
(4) Samuel George, Mayank Devashrayee and Pratit Patel appointed as Additional Independent Directors w.e.f. 13.11.2019.
(5) Sudatta Mandal appointed as Nominee Director on behalf of "Exim Bank" on the Company's Board w.e.f. 13.08.2019.
(6) Jayesh Khatsuria appointed as an Additional Non-Executive Director w.e.f. 07.12. 2019 by circular resolution.
(7) Maitri Mehta ceased to be Director w.e.f 12.05.2020. Four meetings were held during her tenure.
(8) Sad demise of Narendra Kumar Bansal on 04.02.2020.
(9) Vimal R. Ambani ceased to be Director w.e.f 24.06.2019. One meeting was held during his tenure.
(10) Gagan Deep Singh ceased to be Director w.e.f 02.11.2019. Two meetings were held during his tenure.
(11) None of the Directors have any inter-se relationship among themselves or with any employee of the Company.

- **Core Skills/Expertise/Competencies of the Board of Directors:**

Matrix setting out core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for an efficient functioning and those actually available with the Board and individual Board members:

Areas of Skills/expertise required	Description	Skills/expertise actually available with the Board	Name of Directors having skills/expertise
Global Business	Understanding of diverse business environment, global dynamics across various geographical markets, industry verticals and regulatory jurisdictions.	Yes	1. Rahul A. Patel 2. Amit D. Patel 3. Mayank Devashrayee 4. Sunil Kumar Kanojia 5. Jayesh Khatsuria 6. Rajesh Parikh
Textile Industry domain	Hands on experience on Textile industry including sourcing, manufacturing, marketing and business development	Yes	1. Rahul A. Patel 2. Amit D. Patel 3. Mayank Devashrayee 4. Jayesh Khatsuria
Technology/Digital	A strong understanding of technology and innovation, and the development and implementation of initiatives to enhance production	Yes	1. Rahul A. Patel 2. Amit D. Patel 3. Pratit A. Patel 4. Sunil Kumar Kanojia 5. Rajesh Parikh
Financial and Management accounting	Comprehensive understanding of financial and management accounting and reporting as well as controls and analysis	Yes	1. Rahul A. Patel 2. Amit D. Patel 3. Samuel George 4. Maitri Mehta 5. Sudatta Mandal
Strategic Planning and management	Ability to think strategically, identify and assess strategic opportunities and threats in light of organisation's strengths and weaknesses, appreciation of long-term trends, strategic choices, experience in guiding and leading management teams to make decisions in uncertain environments.	Yes	1. Rahul A. Patel 2. Amit D. Patel 3. Samuel George 4. Pratit A. Patel 5. Sunil Kumar Kanojia 6. Rajesh Parikh

Sales, Marketing & Brand building	Experience in developing strategies to grow sales and market share, build brand awareness and brand equity and enhance enterprise value and reputation	Yes	1. Rahul A. Patel 2. Amit D. Patel 3. Samuel George 4. Pratit A. Patel 5. Maitri Mehta 6. Sunil Kumar Kanojia 7. Mayank Devashrayee
Risk Management and Regulatory Compliance	Regulatory framework knowledge, ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance and taking effective steps for risk mitigation	Yes	1. Rahul A. Patel 2. Amit D. Patel 3. Samuel George 4. Sudatta Mandal 5. Mayank Devashrayee
Corporate Governance, ethics and values	Experience in development and application of corporate governance practices and principles, serving and balancing the best interests of all stakeholders, maintaining accountability and responsibilities of Board, and management, building long-term and effective stakeholders engagements, driving corporate ethics and values.	Yes	1. Rahul A. Patel 2. Amit D. Patel 3. Samuel George 4. Maitri Mehta 5. Sunil Kumar Kanojia 6. Sudatta Mandal 7. Mayank Devashrayee

- **Independent Directors confirmation by the Board**

All the Independent Directors have confirmed that they meet the criteria of independence as laid down under Regulation 16(1)(b) of the SEBI (LODR) Regulations and Section 149(6) of the Companies Act, 2013.

In the opinion of the Board the independent directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations and they are also independent of the management.

- **Reasons for resignation of Independent Director who resigns before the expiry of tenure:**

During the year under review, Mr. Vimal Ambani, an independent Director tendered his resignation from the office of director of the Company w.e.f. 24th June, 2019 due to personal reasons and other professional commitments. The Company also received a confirmation from him that his resignation was due to reason cited in the resignation letter which is mentioned herewith and there was no material reason other than that provided in his resignation letter.

- **Responsibilities :**

The Board of Directors represents the interest of the company's shareholders, in optimising long-term value by providing the management with guidance and strategic direction on the shareholders' behalf. The Board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguard interest of shareholders and reporting to shareholders.

- **Board Meetings:**

4 (Four) Board Meetings were held during the year 2019-20 and the gap between two meetings did not exceed 120 days. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective board meeting on request. The dates on which the Board Meetings were held during the Financial Year and attendance on the same are as follows:

Sr. No.	Date	Board Strength	No. of Directors present
1	22nd May, 2019	8	5
2	13th August, 2019	7	5
3	13th November, 2019	10	9
4	06th February, 2020	10	10

- **Information placed before the Board:**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the SEBI 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 discussions during the Meetings. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of Chairman's Agenda.

- **Familiarisation Programme:**

The objective of a familiarisation programme is to ensure that the non-executive directors are updated on the business environment and overall operations of the Company. This enables the non-executive directors to make better informed decisions in the interest of the Company and its stakeholders.

In compliance with the requirements of SEBI Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc.

A familiarisation programme was conducted for non-executive directors on areas as such as the core functions of the Company, overview of the industry, financials and the performance of the Company. The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link:http://www.sintex.in/wp-content/uploads/2016/07/SIL_familiarisation_programe_for_independent_directors.pdf

II. AUDIT COMMITTEE:

The Audit Committee is constituted in accordance with the provisions of Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The committee reviews the reports of the internal auditors and statutory auditors along with the comments and corrective action taken by the management. The Audit Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the committee. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Composition

The Committee's composition meets the regulatory requirements mandated by the Act and SEBI Listing Regulations. The Chairperson of the Audit Committee is a Non-executive and Independent Director. The present composition of the Audit Committee and particulars of meetings attended by them are given below:

Name of Audit Committee member	Chairperson / Member	Category	No. of Meetings during FY 2019-20	
			Held during the tenure	Attended
Samuel George (1)	Chairperson	I & N.E.D.	1	1
Dr. Narendra Kumar Bansal (2)	Member	I & N.E.D.	3	1
Dr. Rajesh B. Parikh (3)	Member	I & N.E.D.	4	3
Maitri Mehta (4)	Member	I & N.E.D.	4	4
Amit D. Patel	Member	Promoter & E.D.	4	4
Mayank Devashrayee (5)	Member	I & N.E.D.	N.A.	N.A.
Pratit Patel (5)	Member	I & N.E.D.	N.A.	N.A.
Sunil Kumar Kanojia (5)	Member	I & N.E.D.	N.A.	N.A.

Notes:
(1) Samuel George appointed as member of Committee w.e.f. 13.11.2019 and he redesignated as Chairperson of Committee w.e.f. 06.02.2020.
(2) Dr. Narendra Kumar Bansal redesignated as member of Committee w.e.f. 13.11.2019 and he ceased to be member of Committee w.e.f. 04.02.2020 due to sad demise.
(3) Dr. Rajesh B. Parikh ceased to be member of Committee w.e.f. 06.02.2020.
(4) Maitri Mehta redesignated as Chairperson of Committee w.e.f. 13.11.2019 and she ceased to be Chairperson and member of Committee w.e.f. 06.02.2020.
(5) Mayank Devashrayee, Pratit Patel and Sunil Kumar Kanojia appointed as members of Committee w.e.f. 06.02.2020

During the Financial Year 2019-20, 4 Meetings were held on 22nd May, 2019, 13th August, 2019, 13th November, 2019 and 6th February, 2020. The intervening gap between two meetings did not exceed one hundred and twenty days.

The Chief Financial Officer, Internal Auditor and Statutory Auditor are invitees to the Meetings.

The Company Secretary acts as the Secretary to the Committee.

Terms of Reference:

The terms of reference of the Audit Committee are broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
   b) Changes, if any, in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by the management.
   d) Significant adjustments made in the financial statements arising out of audit findings.
   e) Compliance with listing and other legal requirements relating to financial statements.
   f) Disclosure of any related party transactions.
   g) Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

Review of Information by Audit Committee:

1. The Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses and
5. The appointment, removal and terms of remuneration of the Chief internal auditor.
6. Statement of deviations

III. NOMINATION AND REMUNERATION COMMITTEE:

The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

(i) Composition:

During the financial year 2019-20, a meeting of the Nomination and Remuneration Committee was held on 22nd May, 2019. The Committee considers and approves salaries and other terms of the compensation package for the Managing Directors. The Quorum of the Committee is of two members. The Board of Directors review the Minutes of the Nomination & Remuneration Committee Meetings at its subsequent Board Meetings. The composition of the Committee and the details of meeting attended by the members of the Committee are given below:

Name of Nomination and Remuneration Committee member	Chairperson / Member	Category	Held during the tenure	No. of meetings attended
Dr. Narendra Kumar Bansal (1)	Member	I & N.E.D.	1	1
Dr. Rajesh Parikh (2)	Member	I & N.E.D.	1	0
Vimal R. Ambani (3)	Member	I & N.E.D.	1	1
Maitri Mehta (4)	Member	I & N.E.D.	N.A.	N.A.
Pratit Patel (5)	Chairperson	I & N.E.D.	N.A.	N.A.
Mayank Devashrayee (6)	Member	I & N.E.D.	N.A.	N.A.
Jayesh Khatsuria (6)	Member	N.E.D.	N.A.	N.A.
Samuel George (6)	Member	I & N.E.D.	N.A.	N.A.

Notes:

(1) Dr. Narendra Kumar Bansal redesignated as member of Committee w.e.f. 13.08.2019 and he ceased to be member of Committee w.e.f. 04.02.2020 due to sad demise.
(2) Dr. Rajesh Parikh redesignated as Chairperson of Committee w.e.f. 13.08.2019 he ceased to be member of Committee w.e.f. 06.02.2020.
(3) Vimal R. Ambani ceased to be member of Committee w.e.f. 24.06.2019.
(4) Maitri Mehta appointed as member of Committee w.e.f. 13.08.2019 and she ceased to member of Committee w.e.f. 06.02.2020.
(5) Pratit Patel appointed as member of Committee w.e.f 13.11.2019 and he redesignated as Chairperson of Committee w.e.f. 06.02.2020.
(6) Mayank Devashrayee, Jayesh Khatsuria and Samuel George appointed as member of Committee w.e.f 06.02.2020.

(ii) Term of Reference:

The broad terms of reference of Nomination and Remuneration Committee are as under:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
(b) Formulation of criteria for evaluation of Independent Directors and the Board;
(c) Devising a policy on Board diversity;
(d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
(e) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
(f) To perform such other functions as may be necessary or appropriate for the performance of its duties.
(g) To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
(h) To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
(i) To recommend to the board, all remuneration, in whatever form, payable to senior management.

(iii) The Company Secretary acts as the Secretary to the Committee.

- **Performance Evaluation Criteria for Independent Directors:**

The Nomination and Remuneration Committee had laid down the criteria for performance evaluation of Independent Directors of the Company. The Criteria was set based on Profiles, experience, contribution dedication, regularity, aptitude, preparedness & participation, team work and contribution of each Director to the growth of the Company. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

Remuneration Policy

- **Remuneration to Non-Executive Directors:**

The Non-Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non-Executive Directors are paid Sitting Fees for each Meeting of the Board or Committee as attended by them.

The Non-Executive Directors of the Company are being paid an amount of sitting fees as follows:

1.	Board Meeting	₹ 84,500/- per meeting
2.	Audit Committee Meeting	₹ 40,000/- per meeting
3.	Nomination and Remuneration Committee and Stakeholders Relationship Committee Meetings	₹ 15,000/- per meeting

Executives Directors are not being paid sitting fees for attending meetings of the Board of Directors/Committees. Other than sitting fees, there were no material pecuniary relationships or transactions by the Company with the Non-Executive and Independent Directors of the Company.

The details of sitting fees paid to the Non-Executive Directors and their shareholding details for the financial year 2019-20 are as follows:

Name	Sitting Fees paid during FY 2019-20 (In ₹)		Total (In ₹)	No. of Shares held as on 31st March, 2020
	Board Meeting	Committee		
Dr. Narendra Kumar Bansal	84,500	70,000	1,54,500	N.A.
Dr. Rajesh B. Parikh	2,53,500	1,20,000	3,73,500	100
Maitri Mehta	3,38,000	1,90,000	5,28,000	Nil
Sunil Kumar Kanojia	2,53,500	-	2,53,500	Nil
Vimal R. Ambani	84,500	15,000	99,500	N.A.
Gagan Deep Singh	-	-	-	N.A.
Sudatta Mandal(1)	1,69,000	-	1,69,000	Nil
Mayank Devashrayee	1,69,000	-	1,69,000	Nil
Samuel George	1,69,000	40,000	2,09,000	Nil
Pratit Patel	1,69,000	15,000	1,84,000	Nil
Jayesh Khatsuria	84,500	-	84,500	Nil

Note :

(1) Sudatta Mandal appointed as Nominee Director on the Board of Directors of the Company w.e.f. 13th August, 2019, representing Export-Import Bank of India ("Exim Bank"). Hence, pursuant to Section 32 of The Export-Import Bank of India Act, 1981 and terms of appointment, the sitting fees payable to Exim bank's Nominee Director for attending meetings of Board/Committee paid directly to Exim Bank.

- **Remuneration to Executive Directors:**

The Company pays remuneration to its Executive Directors by way of salary, perquisites and allowances (a fixed component) and commission (a variable component) in accordance with provision of the Schedule V read with other provisions of the Act, as approved by the Members.

The Board on the recommendation of the Nomination and Remuneration Committee approves the annual increments. The Board fixes a ceiling on perquisites and allowances as a percentage of salary. Within the prescribed ceiling, the perquisite package is recommended by the Nomination and Remuneration Committee. Commission is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceiling as stipulated in Section 197 of the Act.

The Remuneration Policy containing salient features, approved by the Board of Directors is uploaded on the website of the Company at http://www.sintex.in/wp-content/uploads/2018/07/Nomination_and_Remuneration_Policy_SIL.pdf

(iv) Service contract, severance fees and notice period

The appointment of the Managing Directors are governed by the Articles of Association of the Company and the Resolution passed by the Board of Directors and the Shareholders of the Company.

No separate Service Contract is entered into by the Company with the Managing Directors.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of the Managing Directors.

Perquisites include house rent allowance; leave travel allowance, gas & electricity, medical and premium for personal accident insurance, contribution to provident fund, superannuation fund and gratuity.

The appointment of the Managing Directors is for a period of 5 years.

IV. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and SEBI Listing Regulations.

Terms of Reference:

(a) Oversee and review all matters connected with the transfer of the Company's securities.
(b) Monitor redressal of investors' / shareholders' / security holders' grievances.
(c) Oversee the performance of the Company's Registrar and Transfer Agents.
(d) Recommend methods to upgrade the standard of services to investors.
(e) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.
(f) Resolve the grievances of the security holders of the listed entity 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.
(g) Review measures taken for effective exercise of voting rights by shareholders.
(h) Review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
(i) Review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year 2019-20, four meetings of "Stakeholders' Relationship Committee" were held on 22nd May, 2019, 13th August, 2019, 13th November, 2019 and 6th February, 2020. The Composition of "Stakeholders' Relationship Committee" and the details of the meetings attended by its members are as follows:

Name of Stakeholders' Relationship Committee member	Chairperson / Member	Category	Held during the tenure	No. of meetings attended
Dr. Narendra Kumar Bansal (1)	Member	I & N.E.D.	2	1
Rahul A. Patel	Member	Promoter & E.D.	4	4
Amit D. Patel	Member	Promoter & E.D.	4	3
Maitri Mehta (2)	Member	I & N.E.D.	2	2
Pratit Patel (3)	Member	I & N.E.D.	1	1
Mayank Devashrayee (4)	Chairperson	I & N.E.D.	N.A.	N.A.

Notes:
(1) Dr. Narendra Kumar Bansal ceased to be Chairperson and member of Committee w.e.f. 13.08.2020.
(2) Maitri Mehta appointed as Chairperson and member of Committee 13.08.2019 and she cease to be Chairperson and member of Committee w.e.f. 06.02.2020.
(3) Pratit Patel appointed as member of Committee 13.11.2019.
(4) Mayank Devashrayee appointed as Chairperson and member of Committee w.e.f. 06.02.2020.

- Details of Share Holders' Complaints received and redressed during the year 2019-20:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	5	5	0

- Investors' Grievance Redressal Cell:

The Company has designated the Company Secretary as the compliance officer of the investors' grievance redressal cell. For the purpose of registering complaints by investors, the Company has designated an e-mail ID - share@sintex.co.in .

The Minutes of the Stakeholders' Relationship Committee are reviewed by the Board of Directors at the subsequent Board Meeting.

V. SHARE AND DEBENTURE TRANSFER COMMITTEE:

The Board of Directors has delegated the power of approving transfer/transmission of shares/dematerialization / rematerialisation of shares and debentures/ issue of duplicate certificates, split up / sub-division, and consolidation of shares, sub-division and other related formalities to the Share and Debenture Transfer Committee comprising of Mr. Rahul A. Patel as Chairperson of Committee and Mr. Amit D. Patel as Member of Committee.

Mr. Hitesh T. Mehta, Company Secretary acts as the Secretary of the Committee.

21 Meetings of the said Committee were held during the Financial Year 2019-20.

VI. GENERAL BODY MEETINGS:

F.Y.	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2016-17	86th Annual General Meeting At Registered office: Kalol (N.G.) 382721	Thursday 14th September, 2017 10.30 a.m.	i) Adoption of new set of Articles of Association of the Company. ii) Re-appointment of Mr. Ramnikbhai H. Ambani as an Independent Director of the Company iii) Re-appointment of Dr. Rajesh B. Parikh as an Independent Director of the Company iv) Re-appointment of Dr. Lavkumar Kantilal Shah as an Independent Director of the Company v) Re-appointment of Dr. Narendra K. Bansal as an Independent Director of the Company vi) Re-appointment of Mrs. Indira J. Parikh as an Independent Director of the Company (not approved by Members)
2017-18	87th Annual General Meeting At Registered office: Kalol (N.G.) 382721	Monday 17th September, 2018 11.30 a.m.	i) To approve Employee Stock Option Scheme "Sintex Industries Limited-Employee Stock Option Plan – 2018 ("Sintex ESOP 2018")."
2018-19	88th Annual General Meeting At Registered office: Kalol (N.G.) 382721	Monday 30th September, 2019 10.30 a.m.	i) Issue of Unsecured / Secured Redeemable Non-Convertible Debentures / Bonds by way of private placement

No resolution was passed through Postal Ballot during the Financial Year 2019-20, hence disclosure under this section is not applicable.

Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

VII. SUBSIDIARY COMPANY:

BVM Overseas Limited is the only material unlisted Indian subsidiary company.

The financial statements, in particular the investments made by the unlisted subsidiary company are reviewed quarterly by the Audit Committee of the Company, the minutes of the meetings of subsidiary company are placed before the Company's Board regularly.

The Board of Directors also reviews statement containing all significant transactions and arrangements entered into by the subsidiary company.

The policy for determining Material Subsidiary as approved by the Board may be accessed on the Company's website at the link:
http://www.sintex.in/wp-content/uploads/2019/04/SIL_Latest-material-subsidiary-policy-1.pdf

VIII. Credit Rating:

During the year, the Company has suffered downgrade in its credit rating from "BWR A-Stable" to "BWR D-Stable" for its Non Convertible Debentures (NCDs).

IX. OTHER DISCLOSURES:

(i) Disclosure on materially significant related party transactions:
No transactions of material nature have been entered into by your Company with any related parties as per Accounting Standard that may have any potential conflict with the interests of your Company. The related party transactions have been disclosed in the financial section of Annual Report. The Audit Committee reviewed the related party transactions undertaken by the Company in the ordinary course of business.

(ii) Details of non-compliance by the Company:
There were no instances of non-compliance by the Company on any matters related to various capital markets or penalties imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last 3 financial years.

(iii) Code of Conduct:
The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management Personnel of the Company, which is also posted on the website of the Company.

Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

(iv) CEO and CFO Certification:
The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI Listing Regulations.

(v) Code of Conduct to regulate, monitor and report trading by Designated Persons:
Code of Conduct to regulate, monitor and report trading by Designated Persons, as approved by the Board of Directors, inter alia, prohibits purchase / sale of securities of the Company by Designated Persons, while in possession of unpublished price sensitive information in relation to the Company.

(vi) Compliance with the Mandatory Requirements of the SEBI Listing Regulations:
The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated under the SEBI Listing Regulations and has also updated its website under Regulation 46(2) of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from M/s. Chirag Shah and Associates, a firm of company secretaries in practice, the Company's Secretarial Auditors and the same is attached to this Report.

(vii) Whistle Blower Policy:
The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism in line with the requirements under the Act and the SEBI Listing Regulations:

- For employees to report concerns about unethical behavior;
- To establish a mechanism to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Integrity Policy; and
- To ensure that adequate safeguards shall be provided to the whistle blowers against any victimization or vindictive practices like retaliation, threat or any adverse (direct or indirect) action on their employment and direct access to the Chairperson of the Audit Committee in exceptional cases. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

No personnel/ person have been denied access to the Audit Committee. During the year under review, there were no cases pertaining to Whistle Blower Policy.

(viii) Policy on materiality of and dealing with Related Party Transactions approved by the Board of Directors is uploaded on the Company's website at the link: http://www.sintex.in/wp-content/uploads/2016/07/Related_party_transaction_policy.pdf

(ix) Pursuant to regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board approved a Dividend Distribution Policy at its meeting held on July 28, 2016. The policy details various considerations based on which the Board may recommend or declare Dividend, current dividend track record, usage of retained earnings for corporate actions, etc. The policy is available on the Company's website at http://sintex.in/wp-content/uploads/2016/11/Dividend_Distribution_Policy.pdf

(x) The disclosure of commodity exposures in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th, November, 2018 is annexed to this report as Annexure - 1

(xi) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Not Applicable

(xii) A certificate has been received from M/s. Chirag Shah & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has 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 such statutory authority, is annexed to this report as Annexure – 2.

(xiii) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditor is a part,

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to the Statutory Auditors and all the entities in the network firm/network entity of which the statutory auditor is a part, for the financial year 2019-20 are as follows:

Sr. No.	Name of Statutory Auditors	Nature of services	Fees paid (INR in Lakhs)
1	M/S. Shah & Shah Associates, Chartered Accountants, Ahmedabad	Statutory Audit Fees and other fees to Auditors	5.00
2	M/s. R. Choudhary and Associates, Chartered Accountants, Ahmedabad	Statutory Audit Fees and other fees to Auditors	10.00
		Total	15.00

(xiv) The Board had accepted all recommendations of various Committees of the Board, which were mandatorily required to be taken during the period under review.

(xv) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :

Status of complaints as on 31st March, 2020:

Sr. No.	Particulars	Number of complaints
1	Number of Complaints filed during the financial year	0
2	Number of complaints disposed of during the financial year	N.A.
3	Number of complaints pending as on end of the financial year	N.A.

(xvi) Others :

The Company has a comprehensive and integrated risk management framework to effectively deal with uncertainty and associated risks and enhances the organisation's capacity to build value. The Risk Management framework of the Company has been designed with an objective to develop a risk culture that encourages identifying risks and responding to them with appropriate actions.

X. MEANS OF COMMUNICATION:

(i) Financial Results: The annual, half yearly and quarterly results are published in Financial Express (Gujarati) (Ahmedabad Edition) and Financial Express (English) (All Editions).

(ii) All quarterly results are also posted on our website -www.sintex.in

(iii) The company's website www.sintex.in contains a separate dedicated Section on Investors' Relation, where shareholder information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

(iv) The management discussion and analysis report is attached with the Directors' Report in this Annual Report.

(v) Press Releases made by the Company from time to time are also displayed on the Company's website- www.sintex.in .

(vi) Corporate presentations made to institutional investors or to analysts are posted on the Company's website- www.sintex.in .

- Considering the impact of COVID-19 and consequent restrictions including that on large gatherings and social distancing, SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 provided relaxation from sending physical copies of Annual Report for FY 2019-20 to those Members whose email IDs are not registered with the Depository Participants (DPs) and / or with the Company's Registrar and Share Transfer Agent (RTA) and who have opted for physical copies. In view of the same, the Company will send soft copies of Annual Report to those Members whose email IDs are registered with the DPs and / or with the Company's RTA. Also, the same will be available on the Company's website: www.sintex.in

XI. GENERAL SHAREHOLDER INFORMATION:

1. 89th Annual General Meeting

Day, date and time	Monday, 28th September, 2020, 4:00 p.m. IST
Venue	The Company is conducting meeting through VC / OAVM pursuant to the MCA circular dated 5th May, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
Book closure dates	22.09.2020 to 28.09.2020

2. Financial Calendar

The Company follows the period of 1st April to 31st March, as the Financial Year. For the Financial year 2020-21, Financial Results will be announced as per the following tentative schedule:

1st quarter ending on 30th June, 2020	Second week of August, 2020
2nd quarter ending on 30th September, 2020	Second week of November, 2020
3rd quarter ending on 31st December, 2020	Second week of February, 2020
Year ending on 31st March, 2021	Third week of May, 2021

Dividend: In view of loss incurred by the Company during the year under review, the Board of Directors has not recommended dividend for the Year ended on 31st March, 2020.

Listing on Stock Exchanges (As on 31st March, 2020):

Stock Exchanges /Type of Instruments/ Stock Code	Address	Telephone No.
BSE Limited (BSE) Equity Shares *Equity – 502742	25th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001	022 - 22721233/34
National Stock Exchange of India Ltd. (NSE) Equity Shares * Equity – Sintex EQ	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	022 - 26598235/36 022 - 26598346
Singapore Exchange Securities Trading Limited Foreign Currency Convertible Bonds ("FCCB") ISIN: XS1414094927 Stock Code: SINTEX IND US$110M7%CB220525	2 Shenton Way # 19 – 00 SGX Center 1 Singapore 068804	00 65-6236 8888
BSE Limited Secured Redeemable Non-Convertible Debentures ("NCD's") 952870 - ₹ 250.00 Cr. 950353 - ₹ 112.50 Cr. 951037 - ₹ 137.50 Cr.	25th Floor , P.J. Towers, Dalal Street, Mumbai – 400 001	022 - 22721233/34

* Stock code

International Securities Identification Number (ISIN)

ISIN is an identification number for traded shares. This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. Your Company's ISIN number for its equity shares is INE429C01035.

Payment of Listing Fees and Depository Fees

Annual listing fee for the year 2019-20 has been paid by the Company to BSE and NSE. Annual Custody/Issuer fee for the year 2019-20 has been paid by the Company to CDSL and NSDL.

3. Location of the depositories

Depository	Address	Telephone No.
National Securities Depository Ltd. (NSDL)	Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013	022 - 24994200
Central Depository Services (India) Limited (CDSL)	Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013	022 - 2302 3333

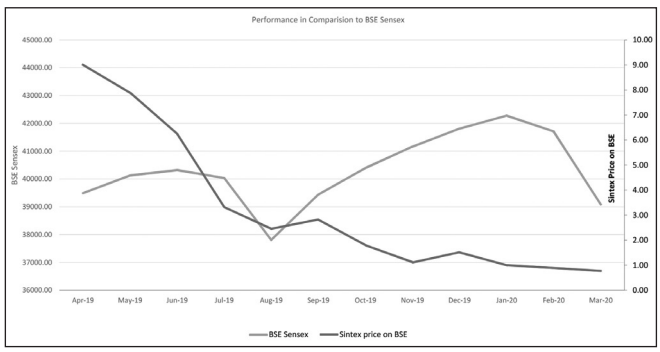
4. Market Price Data

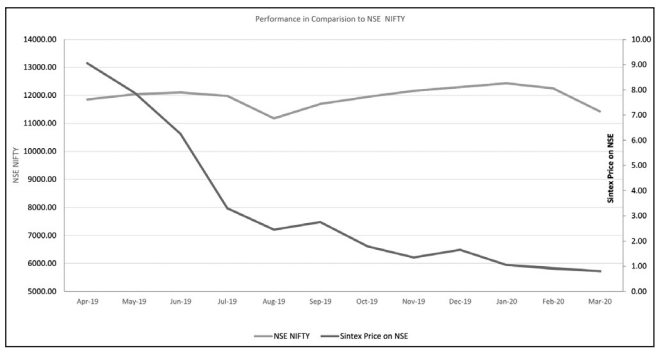
The share price data of the Company from 1st April, 2019 to 31st March, 2020 as compared to BSE Sensex and CNX Nifty are as follows:

Month	BSE Limited				National Stock Exchange of India Ltd.			
	Share Price		SENSEX		Share Price		CNX Nifty	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
April, 2019	9.00	7.82	39487.45	38460.25	9.05	7.85	11856.15	11549.10
May, 2019	7.89	6.00	40124.96	36956.10	7.90	6.05	12041.15	11108.30
June, 2019	6.25	2.38	40312.07	38870.96	6.25	2.50	12103.05	11625.10
July, 2019	3.32	2.31	40032.41	37128.26	3.30	2.35	11981.75	10999.40

August, 2019	2.45	1.73	37807.55	36102.35	2.45	1.80	11181.45	10637.15
September, 2019	2.82	1.81	39441.12	35987.80	2.75	1.85	11694.85	10670.25
October, 2019	1.80	0.73	40392.22	37415.83	1.80	0.85	11945.00	11090.15
November, 2019	1.11	0.56	41163.79	40014.23	1.35	0.55	12158.80	11802.65
December, 2019	1.52	0.79	41809.96	40135.37	1.65	0.85	12293.90	11832.30
January, 2020	1.00	0.76	42273.87	40476.55	1.05	0.75	12430.50	11929.60
February, 2020	0.89	0.66	41709.30	38219.97	0.90	0.65	12246.70	11175.05
March, 2020	0.77	0.57	39083.17	25638.90	0.80	0.55	11433.00	7801.05

5. Performance in comparison to broad based indices such as BSE Sensex, CRISIL index, etc.





6. Distribution of Shareholding as on March 31, 2020:

No. of Shares held (Face Value of Re. 1/- each)	Shareholders		Shares	
	Number	% of total	Number	% of total
Up to 5000	282500	94.71	178367225	30.02
5001 – 10000	8218	2.76	62693518	10.55
10000 – 15000	2563	0.86	31829281	5.36
15001 – 20000	1399	0.47	25490061	4.29
20001 – 25000	825	0.28	18933092	3.19
25001 – 50000	1549	0.51	55945284	9.42
50001 & Above	1226	0.41	220836627	37.17
Total	**298280***	**100.00**	**594095088**	**100.00**

* The shareholding of the promoter and promoter group, public shareholder and non-public non-promoter shareholder has been consolidated on the basis of the PAN as per SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017. Accordingly, there is difference in no. of shareholders mentioned in Shareholding Pattern and Distribution of Shareholding as on 31.03.2020.

7. Categories of Shareholders as on March 31, 2020:

Category	No. of Shares held	% of Shares held	No. of Shareholders	% of Share Holders
Promoters Holding	32181127	5.42	15	0.01
Residential Individuals	500229771	84.20	280884	96.53
Financial Institutions/Banks	2631256	0.44	17	0.01
Mutual Funds	0	0.00	0	0.00
NRIs /Foreign Nationals	20367974	3.43	3538	1.22
FIIS/FPI/Foreign Company	530737	0.09	6	0.00
Domestic Companies/Bodies Corporate	17048882	2.87	899	0.31
Trusts/Clearing Members/Others	20362536	3.43	5590	1.92
Investor Education And Protection Fund	668372	0.11	1	0.00
Insurance Companies	74433	0.01	1	0.00
TOTAL	**594095088**	**100.00**	**290951**	**100.00**

8. Dematerialization of Shares:

The Equity Shares of Sintex Industries Ltd are compulsorily traded in dematerialized form. A total number of 59,19,50,047 Equity Shares of the Company constituting about 99.64% of the subscribed and paid-up share capital were in dematerialized form as on March 31, 2020. The Company's Equity Shares are frequently traded on BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

9. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:

(a) Issue of Foreign Currency Convertible Bonds (FCCBs):

The Company has raised USD 110 million step down foreign currency convertible bonds (FCCBs) due 2022. The bondholders are entitled to apply for equity shares at a price of ₹ 92.16 (reset pursuant to meeting of FCCB Committee of the Board of Directors on 14th September, 2016) per share with a fixed rate of exchange on conversion of ₹ 67.4463 to USD 1. Outstanding FCCBs pending for conversion as on 31st March, 2020 is USD 13.50 Million. After conversion of aforesaid FCCBs, paid up capital of the Company will increase by 98,79,844 equity shares of ₹ 1/- each amounting to ₹ 98.80 Lacs.

10. Registrar and Share Transfer Agent (RTA):

Share transfers, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent viz. M/s. Link Intime India Pvt Ltd.

Link Intime India Private Limited
506 to 508, Amarnath Business Centre-1 (ABC-1),
Beside Gala Business Centre, Nr. St. Xavier's College Corner,
Off C G Road, Ellisbridge, Ahmedabad - 380006.
Tel: 079-2646 5179, 079-3000 2684/85,
E-mail: ahmedabad@linkintime.co.in

11. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

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

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends individual communication to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website www.sintex.in

12. Share Transfer System

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 dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

Nomination :

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

13. Reconciliation of Share Capital Audit:

A qualified practicing Company Secretary carried out reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The reconciliation of share capital audit report mentions that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL, as depositories.

The Company has also obtained Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for half year ended 30th September, 2019 and 31st March, 2020 from a Practicing Company Secretary and submitted the same to the stock exchanges within stipulated time:

14. Plant Locations:

The Company's plants are located at Kalol (N.G.) and Taluka Jafarabad, Amreli District, Lunsapur (Gujarat).

XII. Address for Correspondence/ Investor Relationship Cell :

All Communications may be sent to Company Secretary at the following address:

Sintex Industries Limited
7th Floor, Abhijit Building-I, Mithakhali Six Road,
Ellisbridge, Ahmedabad - 380006, Gujarat.
Tel.: 079-26420045, +91-6358855979
Email : share@sintex.co.in

XIII. Name and contact details of Debenture Trustees:

Vistra ITCL (India) Limited
The IL&FS Financial Center
Plot No. C–22, G Block, 7th Floor, Bandra Kurla Complex
Bandra (East), Mumbai - 400051.
Tel.: +91 22 2659 3535
Fax : +91 22 2653 3297
Email: mumbai@vistra.com
Website : https://vistraitcl.com

XIII. Non-mandatory Requirements:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

- Reporting of Internal Auditor

The Internal Auditors of the Company regularly report their findings of the internal audit to the Audit Committee Members.

Declaration:

It is hereby declared that the Company has obtained affirmation from all the Members of the Board and Senior Management personnel that they have complied with the "Code of Conduct and Ethics for Board Members and Senior Management" for the year ended on 31st March 2020.

Rahul A. Patel
Chairman & Managing Director
(DIN : 00171198)

Place: Ahmedabad
Date: 25th June, 2020

Annexure - 1

Disclosure of commodity exposures as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. Risk management policy of the listed entity with respect to commodities including through hedging :

The Company is managing commodity risk through team and competence building by creating a pool of commodity specialist. Specialist team, through its ground presence, Market research, close co-ordination with vendors understand the market and manages the risk of commodity prices.

In agricultural commodity market, cotton is more prone to fluctuations and volatility. India is the largest cotton producing country in the world. Gujarat is the largest cotton producing state and Amreli is a largest cotton producing district in the state. The Company has set up its spinning unit in the cotton district, Amreli. Hence, the Company predominantly uses more than 75% cotton fibre to produce its yarns in the product basket.

Quality of cotton fibres affects spinning efficiency and fabric quality. Hence, the Company's prime importance and highest priority is to pay attention towards procurement and quality management of cotton bales.

2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

a) Total exposure of the listed entity to commodities in INR
b) Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Cotton	₹ 1175 Crores (Approx.)	1.05 Lacs Tonnes (Approx.)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

c) Commodity risks faced by the listed entity during the year and how they have been managed :

We at Sintex are conscious about the challenges posed by Cotton as an agri-commodiy inter-alia from both agronomic as well as economic developments. The assessment of cotton volatility in terms of price, quantity and quality is a challenging task. However, we are pro-actively connected to ground realities which help to tackle the price volatility in a better manner. The Company has embarked upon the following broad strategy to mitigate and control the variable posed by the price volatility.

1. **Team and competence building – Creation of a pool of cotton specialist:**
   - We have created the focus group of cotton specialist with wide and long experience in cotton both globally as well as in Indian market.
   - These groups are working on the company's front end and evaluates cotton situation by first-hand information at field and ginners levels. They contribute to the procurement strategy on regular basis by getting information on regular basis.
   - Further, with the thrust to create a team for future, the competence building through regular on job training, creating global benchmarking and bringing in young and experienced talent is an ongoing effort.

2. **On the ground presence: Seeing is believing**
   - Crop Survey: we are conducting structured field visit and crop survey in major cotton producing areas in India, to assess the company's own planting estimation and likely demand-supply situation. The ginner and other vendor supply chain base associated with the company over time helps to get on real-time ground information from field to market.
   - Similarly, our team keeps tab on the global cotton exporting countries like Australia, USA, Brazil and also some of the African countries to take stock of the situation first hand both from the point of view of assessing their practices, strategy and fundamentals including supply and quality prospects.
   - Over the period, we have developed strong networking and supplier relations with the leading cotton growers in USA like JG Boswell, Auscott and Queensland cotton in Australia, Olam, leading cotton trader from Africa, Israel cotton board in Israel, Group Amaggi and Groupo Bom Futuro in Brazil to name some. Similarly, we have developed business relations with large multinational commodity companies, like Allenberg, Dryfuss, Glencore, Otto Stadlander, Reinhart, Olam, Ecom again to name few. These networking and business tie up helps the company to get the global market information on real time basis.

3. **Market research approach:** Raw material procurement department is in the process of developing strong database and logical approach to create scenario building and cyclical analysis to formulate season to season buying strategy.
   - Apart from the domestic markets, we constantly track the global prices both physical as well as on ICE futures, ZCE futures, MCX futures combined with the crops emerging from Northern, Southern hemisphere including Franco zone.
   - We constantly assess various financial tools like warehousing as Sintex increases its exposure to volume cotton procurement for its different unit/s.

4. **Locational advantages:** our manufacturing plant set up in the vicinity to the port of Pipavav as well as the major cotton growing areas in Gujarat offers least logistic cost advantage on its raw material procurement both from imports as well as local purchases compared to its industry competition.

5. **Efficient and reliable vendor base:** Due care and structured process approach is taken to take on board the reliable and competent global as well as domestic vendor base with due diligence. This helps the company to ensure that contractual obligations are adhered to including timely and quality deliveries.

6. **Collaborated approach:** Importantly, we have followed collaborated approach from demand side to end user perspective to pre-assess its future quality/quantities needs of cotton. Regular interaction with different stakeholders is undertaken within the company to achieve the benefit of collective wisdom.

Risk mitigation:

The Company is managing commodity risk through team and competence building by creating a pool of commodity specialist. Specialist team, through its ground presence, Market research, close co-ordination with vendors understand the market and manages the risk of commodity prices.

Normally, Indian cotton prices are lower than international cotton prices. However, in the current financial year from April to October the cotton price situation was reversed. The Indian cotton prices were higher than International cotton prices. The company tried to import cotton but could not procure it due to financial stress.

Thus, the company had to rely on domestic Indian cotton. Sintex's cotton procurement team effectively carried out crop surveys and frequent visits to ginners in the local vicinity to monitor cotton price and quality aspects. The company could interact with cotton growers, ginners due to location of the Company's spinning unit in the heart of cotton producing area. The team also assessed buying trends by leading mills, cotton quoted prices by exporters, financial situation of the ginners, close co-ordination with vendors and cotton arrival trends etc. Procurement head kept vigil on the price trends by taking help of market research and online commodity database of various agencies.

However, the company could not take advantage of low price of imported cotton due to financial constraint, tight liquidity position and limited working capital. Thus, in this year the company suffered on raw material cost front, due to its inability to procure imported cotton fibre.

Annexure - 2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
SINTEX INDUSTRIES LIMITED
Kalol - 382721,
Dist. Gandhinagar, Gujarat.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SINTEX INDUSTRIES LIMITED having CIN L17110GJ1931PLC000454 and having registered office at Dist. Gandhinagar, Kalol, Gujarat, 382721 (hereinafter referred to as 'the Company'), produced before us 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our 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 us by the Company & its officers, We 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 such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Amit Dineshchandra Patel	00171035	21/10/1993
2	Mr. Rahul Arunprasad Patel	00171198	21/10/2013
3	Mr. Rajeshbhai Balkrishnabhai Parikh	00171231	01/05/2004
4	Mr. Sunil Kumar Kanojia	00490259	30/10/2017
5	Mr. Sudatta Mandal	00942070	13/08/2019
6	Mr. Mayank Upendraprasad Devashrayee	05313186	13/11/2019
7	Mr. George Samuel	06952669	13/11/2019
8	Mr. Pratit Ashvinbhai Patel	07841812	13/11/2019
9	Mr. Jayesh Hasmukhrai Khatsuria	08626274	07/12/2019
10	Ms. Maitri Kirankumar Mehta	07549243	30/10/2017

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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, Chirag Shah and Associates

Chirag Shah
Membership No.: 5545
C P No.: 3498
UDIN : F005545B000382185

Place: Ahmedabad
Date: 25th June, 2020

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Sintex Industries Limited

We have examined the compliance of conditions of Corporate Governance by Sintex Industries Limited ("the Company") for the year ended on March 31, 2020 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We further state that such compliance 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.

Chirag Shah
Partner
Chirag Shah and Associates
FCS No. 5545
C P No.: 3498
UDIN : F005545B000382086

Date: 25th June, 2020
Place: Ahmedabad

CERTIFICATION BY
CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

Pursuant to Clause 17(8) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

This is to certify to Board that-

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:

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

   (2) 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. There are, 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

   (1) significant changes in internal control over financial reporting during the year;

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

   (3) 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 Sintex Industries Limited

Rahul A. Patel
Chairman & Managing Director
(DIN: 00171198)

For Sintex Industries Limited

Hitesh Dihiye
Chief Financial Officer

Place: Ahmedabad
Date: 25th June, 2020

STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of **Sintex Industries Limited**

Report on the Audit of the Standalone Financial Statements

Auditor's Opinion

We have audited the accompanying standalone financial statements of **Sintex Industries Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including Other Comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") 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, ("Ind As") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, Loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 standalone financial statements.

Emphasis of Matter

i. We draw attention to Note 35 to the standalone financial statement, which states that the company's credit rating has been downgraded, which may substantially impair its ability to raise or generate funds to repay its obligations. As described in said Note, the company's ability to continue as going-concern depends on outcome of various legal cases pending at NCLT under Insolvency and Bankruptcy Code, 2016 and scale up of company's level of operations. All the current developments raise doubt on the ability of the company to continue as going concern and, therefore, it may be unable to realize its asset and discharge its liabilities in the normal course of business. The ability of the company to continue as going concern is dependent upon the factors described in the said Note, which are not within the company's control. The management has prepared the statement following going concern basis of accounting based on their assessment of the successful outcome of above referred actions and accordingly, no adjustments have been made to the carrying value of assets and liabilities, which may affect the results shown in the statement.

ii. We draw attention to Note 36 to the standalone financial statement, with respect to impairment of assets. As described in the said note, the management has determined that there is no impairment of assets. This estimate and judgment of the management being inherently subjective and technical as well as considering the facts of the case, we have relied upon the management representation.

iii. We draw attention to Note 22 to the standalone financial statement, with respect to recognition of deferred tax assets. As stated in the said Note, deferred tax asset has been recognized to the extent of deferred tax liabilities amounting to ₹ 78.57 Crores outstanding as on 31st March 2020.

iv. We draw attention to Note 55 to the standalone financial statement, with respect to insurance claim receivable of ₹ 24.77 Crores lodged in the earlier years which are outstanding as on 31st March,2020 for settlement of which management of company is in the process of filing reply against the same and is hopeful of settling the claims in full. If required, company would also explore to take legal actions for recovery of outstanding claim.

v. We draw attention to Note 49 to the standalone financial statement, with respect to realization of subsidies aggregating to ₹ 210.96 Crores. As per the information and explanations furnished to us, the management is taking necessary actions for realization of these subsidies and as stated in the said Note, management is perusing for recovery of this amount of subsidy.

vi. We draw attention to Note 20(ix) to the standalone financial statement, with respect to continuing default in payment of dues, most of the lenders have sent notices / letters recalling their loans given and called upon the Company to pay entire dues and other liabilities. Hence in view of the said facts & considering the matter of prudence, whole of the long-term borrowing outstanding as on 31st March 2020 has been classified as current borrowings.

vii. We draw attention to Note 54 to the standalone financial statement, with respect to assessment of the recoverability of certain assets, the management has considered internal and external information upto the date of this report in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic of Covid 19. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our Opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Impairment of assets of Textile Division of the Company The impairment of assets of Textile Division engaged in the manufacturing and processing of structured fabrics being identified as cash generating unit with carrying value of ₹ 1,367.78 Crores as on 31st March, 2020 is considered to be a risk area due to the size of the carrying amount as well as significant judgmental nature of key assumption which will be subject to management overheads. The carrying value of such assets at the risk of impairment and estimated recoverable amount is subjective due to inherent uncertainty involved in such estimation. See Note No. 36 of the standalone financial statements.
Auditor's Response	The procedures performed included the following among others: • Understood the management processes, assumptions and controls with regard to testing, evaluating and identifying the impairment of aforesaid Textile Division of the company. • We assessed the appropriateness and judgments applied by the expert in the valuation report dated 31.03.2019 for determining recoverable amount of the land and building of the Textile Division, the recoverable amount of the land and building exceeds the carrying amount of the assets. Management now desirous to dispose off land and factory building of its Kalol plant after obtaining requisite approvals including from lenders, the proceeds of which shall be utilized for repayment of borrowings. • Management on the basis of their evaluation has expressed their certainty with regards to minimal difference between recoverable amount and carrying amount of Plant and Machinery. • Management of the company stated that on account of the high cost of operations and to create synergies of having operations at a single location, the management of the company is evaluating to shift manufacturing facilities of structured fabrics from its existing location at Kalol to its Yarn division at Vill. Lunsapur Tal. Jafrabad, Dist. Amreli. • Considering all relevant factors as stated above, the management has determined that there is no impairment loss which needs to be provided for.
Key Audit Matter	The company is subject to number of significant litigations. Major risks identified by the company in that area relates to applications filed by certain lenders/creditors to NCTL under IBC for the recovery of outstanding dues. The amount of litigation may be significant and estimates of the amount of provisions or contingent liabilities are subject to significant management judgment. Due to complexity involved in these litigation matters, management's judgment regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key matter
Auditor's Response	Our audit procedures included, among others: • Assessing the procedures implemented by the Company to identify and gather the risks it is exposed to. • Obtaining an understanding of the risk analyses performed by the Company. • Discussion with the management on the development in these litigations during the year ended March 31, 2020. • Enquiring from the company's legal counsel (internal) and study the responses as received from them. • Verification that the accounting and / or disclosure as the case may be in the Standalone Financial Statements made by the Company is in accordance with the assessment of legal counsel / management. • Obtaining representation letter from the management on the assessment of these matters as per SA 580 (revised) – Written representations.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Standalone Financial Statement

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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 skepticism 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 is sufficient 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 control 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 standalone 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A",** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, 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, the 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 standalone 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 the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(g) With respect to the other matters 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 to the best of our information and according to the explanations given to us, the managerial remuneration has been paid by the company to its directors during the year is in accordance with provisions of Section 197 of the Act.

(h) 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 no 51 to the standalone financial statements;

ii. Provision has been made in the financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the investor's education and protection fund by the company.

For, R Choudhary & Associates
Chartered Accountants
Firm Regn. No: 101928W

Place : Ahmedabad
Date : 25th June, 2020
UDIN : 20133388AAAAJZ8049

K M Chaudhary
(Partner)
M. No.: 133388

ANNEXURE A - to the Independent Auditors' Report

for the period ended March 2020

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

(i) Fixed Assets

a) The Company has maintained proper records showing full particulars including quantitative details and situtation of fixed assets.

b) The Company has a program of physical verification of its property, plant and equipment to cover all the items of property, plant and equipment in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and the title deeds and other records examined by us, we report that the title deeds in respect of all the immovable properties comprising of freehold land and buildings are held in the name of the Company except in respect of freehold lands having aggregate cost of ₹ 436.81 Crores, for which documents in favor of the Company are not executed as at end of the year.(Refer Note - 53 to Standalone financial statements)

(ii) Inventories

As explained to us, the inventories, were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) Loans given

According to Information and explanations given to us, the Company has not granted any Secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence reporting under clause 3 (iii) (a), (b) and (c) does not arise.

(iv) Compliance of Sec. 185 & 186

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 185 & 186 of the companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) Public Deposit

According to Information and explanations given to us, the company has not accepted any deposits from the public during the year and in respect of unclaimed deposits, the company has complied with the proviosn of section 73 to 76 or any other relevent provisons of the companies Act, 2013.

(vi) Cost Records

The company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act in respect of service carried out by the company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) Statutory Dues

According to the information and explanations given to us, in respect of statutory dues:

a) The Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Income-tax, Goods and Service Tax, Customs duty, cess and other material statutory dues applicable to it to the appropriate authorities.

b) No undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no dues of income tax, sales tax, excise duty, and Goods and Service Tax on account of any dispute, which have not been deposited.

(viii) In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to banks, financial institutions and debenture holders. Lender wise details of defaults in repayment of borrowing (Term Loan & Working Capital) and interest are given below.

(₹ in Crores)

Name of lenders	Principal	Interest	Period to which it relates
Banks / NBFCS			
Punjab National Bank (Including Oriental Bank of Commerce & United Bank of India)	637.99	114.09	May'19 to Mar'20
Punjab Sind Bank	165.04	18.81	
Bank of India	202.55	43.29	
Bank of Baroda (Including Dena Bank & Vijaya Bank)	233.04	92.26	
Canara Bank (Including Syndicate Bank)	216.40	37.77	
Union Bank of India (Including Andhra Bank)	6.07	57.56	
South Indian Bank	-	26.21	
Karnataka Bank	-	9.55	
Central Bank of India	-	28.26	June'19 to Mar'20
IDBI Bank	25.00	6.89	
Axis Bank Ltd	82.41	5.85	
Canbank Factors Limited	5.54	0.42	
The Federal Bank Limited	13.28	0.91	
UCO Bank Limited	0.42	0.03	
State Bank of India	7.73	17.42	Aug'19 to Mar'20
Abu Dhabi Commercial Bank	-	5.17	Oct'19 to Mar'20
DZ Bank AG	15.30	0.96	
Financial Institution			
Export Import Bank of India	84.67	45.44	Jun'19 to Mar'20
Non Convertible Debentures	466.66	43.09	Jun'19 to Mar'20

(ix) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, paragraph 3 (ix) of the order is not applicable to the company.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.

(xi) According to information & explanations given to us, no managerial remuneration has been paid by the company to its managing directors during the year is in accordance with provisions of Section 197 of the Act read with schedule V to the Act.

(xii) The company is not a Nidhi Company and hence reporting under clause (xii) of the paragraph 3 of the order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.

(xiv) During the year, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore paragraph 3 (xiv) of the order is not applicable to the company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the company has not entered into any non-cash transactions with its directors or persons connected with him and hence paragraph 3 (xv) of the order is not applicable to the company.

(xvi) In our opinion and according to the information and explanations given to us, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, R Choudhary & Associates
Chartered Accountants
Firm Regn. No: 101928W

Place : Ahmedabad
Date : 25th June, 2020
UDIN : 20133388AAAAJZ8049

K M Chaudhary
(Partner)
M. No.: 133388

ANNEXURE B - to the Independent Auditors' Report

of even date on the Standalone Financial Statements of Sintex Industries Limited

(Referred to in Paragraph 2(F) under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of Sintex Industries Limited ("the Company") as of 31 March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal financial controls with reference to financial statements 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". 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March, 2020, based on, "the internal control with reference to financial statements 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".

For, R Choudhary & Associates
Chartered Accountants
Firm Regn. No: 101928W

Place : Ahmedabad
Date : 25th June, 2020
UDIN : 20133388AAAAJZ8049

K M Chaudhary
(Partner)
M. No.: 133388

Standalone Balance Sheet as at March 31, 2020

(₹ in crores)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	8,011.06	8,302.32
(b) Capital work-in-progress		1,065.12	1,009.53
(c) Intangible assets	5	2.41	3.26
(d) Financial assets			
(i) Investments	7	40.08	7.78
(ii) Loans	8	3.54	4.55
(e) Other non-current assets	9	384.01	349.20
(f) Non-current tax assets (net)	10	46.90	57.49
Total non-current assets		**9,553.12**	**9,734.13**
Current assets			
(a) Inventories	11	119.09	240.53
(b) Financial assets			
(i) Investments	12	-	0.53
(ii) Trade receivables	13	163.63	484.36
(iii) Cash and cash equivalents	14	11.38	73.72
(iv) Bank balances other than (iii) above	15	-	-
(v) Loans	16	62.08	108.71
(c) Other current assets	17	648.63	811.18
Total current assets		**1,004.81**	**1,719.03**
TOTAL ASSETS		**10,557.93**	**11,453.16**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	59.41	59.41
(b) Other equity	19	3,070.11	4,336.82
Total equity		**3,129.52**	**4,396.23**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	0.00	4,537.44
(b) Provisions	21	5.44	10.11
(c) Deferred tax liabilities (Net)	22	0.00	86.94
Total non-current liabilities		**5.44**	**4,634.49**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	1,487.71	777.14
(ii) Trade payables			
(a) Total outstanding dues of Micro and Small Enterprise	24	4.08	10.63
(b) Total outstanding dues of creditors other than micro and small enterprise	24	168.58	357.69
(iii) Other financial liabilities	25	5,753.96	1,258.31
(b) Other current liabilities	26	3.37	14.90
(c) Provisions	27	5.27	3.77
Total current liabilities		**7,422.97**	**2,422.44**
Total liabilities		**7,428.41**	**7,056.93**
TOTAL EQUITY AND LIABILITIES		**10,557.93**	**11,453.16**

See accompanying notes 1 to 60 to the standalone financial statements

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

Standalone Statement of Profit and Loss for the year ended March 31, 2020

(₹ in crores)

	Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
I	Revenue from operations	28	1,634.92	2,820.77
II	Other Income	29	27.51	91.55
III	**Total Income (I+II)**		**1,662.43**	**2,912.32**
	Expenses:			
	(a) Cost of materials consumed	30	1,103.42	1,806.25
	(b) Changes in inventories of finished goods and work-in- progress	31	79.55	(24.24)
	(c) Employee benefits expense	32	157.50	178.59
	(d) Finance costs	33	742.03	208.82
	(e) Depreciation and amortisation expense	6	284.40	232.42
	(f) Other expenses	34	630.20	474.07
IV	**Total expenses**		**2,997.10**	**2,875.91**
V	**Profit before tax (III-IV)**		**(1,334.67)**	**36.41**
VI	**Tax expense:**			
	(a) Current tax expense		-	8.66
	(b) Short/(Excess) provision of tax for earlier years		(6.12)	(1.72)
	(c) Deferred tax charge/(credit)		(78.57)	10.27
			(84.69)	**17.21**
VII	**Profit after tax for the year (V-VI)**		**(1,249.98)**	**19.20**
	Other comprehensive income			
	A (i) Items that will not be reclassified to Statement of Profit and Loss			
	(a) Equity instruments through other comprehensive income		(1.00)	(13.51)
	(b) Remeasurement of the defined benefit plans		(1.19)	1.73
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss		-	(0.60)
	B (i) Items that will be reclassified to Statement of Profit and Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss		-	-
VIII	**Other comprehensive income for the year (A(i+ii)+B(i+ii)**		**(2.19)**	**(12.38)**
IX	**Total Comprehensive income for the year (VII+VIII)**		**(1,252.17)**	**6.82**
X	Earnings per share (face value of ₹ 1/- each):			
	(a) Basic (in ₹)	44	(21.04)	0.32
	(b) Diluted (in ₹)	44	(21.04)	0.32

See accompanying notes 1 to 60 to the standalone financial statements

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

Standalone Statement of Cash Flows for the year ended March 31, 2020

(₹ in crores)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash flow from operating activities**		
	Net profit before tax	**(1,334.67)**	**36.41**
	Adjustments for:		
	Unrealised Forex Loss	40.73	-
	Profit on sale of investments	-	(0.01)
	Provision for advances and Subsidy and Bad Debts written off	228.41	-
	Excess Provision of earlier year written back	-	(4.17)
	Interest income	(15.15)	(16.98)
	Depreciation and amortisation expenses	284.40	232.42
	Finance cost	742.03	208.82
	Loss/(gain) on sale/ impairment of property, plant and equipment	0.04	(0.38)
	Operating profit before working capital changes	**(54.21)**	**456.11**
	Adjustments for increase/decrease in Operating Assets/ Liabilities:		
	Trade receivables, loans and other assets	301.69	(246.67)
	Inventories	121.44	272.71
	Trade payables, other liabilities and provisions	(167.59)	528.20
	Cash generated from operations	**201.33**	**1,010.35**
	Direct taxes (paid)/Refund	16.71	(26.28)
	Net cash generated from operations (A)	**218.05**	**984.07**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment/addition to capital-work-in progress(net)	(117.43)	(1,426.06)
	Sale of fixed assets	1.40	0.90
	(Purchase)/sale of current investments	0.53	0.11
	Interest received	15.94	22.07
	Bank deposits received/(placed)	-	107.05
	Net cash used in investing activities (B)	**(99.56)**	**(1,295.93)**
C	**Cash flow from financing activities**		
	Proceeds from long term borrowings	-	948.33
	Repayments of long term borrowings	(253.34)	(395.81)
	Net increase/(decrease) in working capital borrowings	272.43	(45.04)
	Interest Paid	(199.81)	(211.29)
	Dividend paid	(0.11)	(7.11)
	Net cash genereted from financing activities (C)	**(180.83)**	**289.08**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(62.34)**	**(22.78)**
	Cash and cash equivalents at the beginning of the year	**73.72**	**96.50**
	Cash and cash equivalents at the end of the year	**11.38**	**73.72**

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".
2. Cash and cash equivalents comprises of

(₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Balance with banks	5.55	33.32
(b) Cash on hand	0.43	0.35
(c) Bank deposits with upto 3 months maturity	4.48	39.02
	10.46	**72.69**
Other bank balances		
Earmarked balances with banks		
- Unclaimed dividend accounts	0.92	1.03
	0.92	1.03
Cash and cash equivalents in Cash flow statement	**11.38**	**73.72**

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
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Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

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

A. Equity Share Capital (₹ in crores)

Particulars	Amount
Balance as at 1st April,2018	**59.41**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**59.41**
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**59.41**

B. Other equity (₹ in crores)

Particulars	Equity component of compound financial instruments (FCCBs)	Reserves and surplus				Item of Other Comprehensive income	Total
		Securities premium	Debenture redemption reserve	General reserve	Retained earnings	Equity instruments through other comprehensive income	
Balance as at April 1, 2018	**14.54**	**1,116.01**	**83.60**	**428.58**	**2,689.49**	**4.95**	**4,337.17**
Profit for the year					19.20		19.20
Other comprehensive income for the year, net of income tax -Equity Instruments through Other Comprehensive income	-	-	-	-	-	(13.51)	(13.51)
Remeasurement of net defined benefit plan	-	-	-	-	1.13	-	1.13
Total comprehensive income/ (loss) for the year	-	-	-	-	20.33	(13.51)	6.82
Transfer to reserve	-	-	27.43	-	(27.43)	-	-
Payment of dividends (including tax on dividend)	-	-	-	-	(7.17)	-	(7.17)
Balance as at March 31, 2019	**14.54**	**1,116.01**	**111.03**	**428.58**	**2,675.22**	**(8.56)**	**4,336.82**
Profit for the year					(1,249.98)		(1,249.98)
Other comprehensive income for the year, net of income tax -Equity Instruments through Other Comprehensive income	-	-	-		-	(1.00)	(1.00)
Remeasurement of net defined benefit plan					(1.19)	-	(1.19)
Total comprehensive income/ (loss) for the year	-	-	-	-	(1,251.17)	(1.00)	(1,252.17)
Transfer to FCCBs	(14.54)	-	-	-	-	-	(14.54)
Balance as at March 31, 2020	**-**	**1,116.01**	**111.03**	**428.58**	**1,424.05**	**(9.56)**	**3,070.11**

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

1. General Information

Sintex Industries Limited ("the Company") is primarily engaged in the business of manufacture and sale of yarn.

Sintex Industries Limited is a public limited company incorporated in India on June 01, 1931 under the Companies Act and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is at Kalol (North Gujarat) - 382 721, India. The Textile Division of the company is situated at Kalol (N.G) and its Yarn Division is situated at Village Lunsapur, Talu: Jafrabad, Dist: Amreli.

These financial statements were authorized for issuance by the Board of Directors of the Company in their meeting held on June 25, 2020.

2. Basis of preparation of financial statements

I. Basis of preparation and Compliance with Ind AS

These standalone financial statements of the Company as at and for the year ended March 31, 2020 has been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Companies Act, 2013 (collectively called as Ind AS).

II. Basis of measurement

The financial statements have been prepared on a going concern basis, using historical cost convention and on an accrual method of accounting, except for the following assets and liabilities which have been measured at fair value, as required by relevant Ind AS.

1. Derivative financial instruments
2. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
3. Defined benefit plans

III. Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest crores with two decimals.

IV. Current and Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current if it satisfies any of the following criteria:

a) It is expected to be realized or intended to sold or consumed in the Company's normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is expected to be realized within twelve months after the reporting period, or
d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle,
b) it is held primarily for the purpose of trading,
c) it is due to be settled within twelve months after the reporting period
d) there is no unconditional right to defer the settlement of the liability beyond twelve months after the reporting period

The Company classifies all other liabilities as non-current. Current liabilities include current portion of non-current financial liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3. Standard Accounting Policy

I. Revenue recognition

The Company derives revenues primarily from sale of yarn.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

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.

The Company satisfies a performance obligation and recognises revenue over time, if any one of the following criteria is met.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Subsidy income

Income from Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

II. Leases

Transition

Effective April 01, 2019, the company adopted Ind AS 116 "leases" and applied the standard to all applicable lease contracts existing on April 1, 2019 using the modified retrospective method with cumulative effect of initially applying the standard recognised on the date of initial application. Accordingly, company has not restated comparative information and recognised right of use assets at an amount equal to lease liability.

The Company's lease asset primarily consists of leases for building & Land. The Company assesses whether a contract contains a lease, at inception of a 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.

Company as a lessee

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and finance cost portion of lease payments have been classified as financing cash flows.

Company as a lessor

At the inception of the lease, the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognizes lease payments received under operating leases as income over the lease term on a straight-line basis.

III. Foreign currency translations

The functional currency of the Company has been determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

In preparing the standalone financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

The Company has decided to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the standalone financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP i.e. exchange differences relating to long term foreign currency monetary items in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

IV. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

V. Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item employee benefits expenses. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

VI. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

For the purposes of measuring deferred tax liabilities and deferred tax assets on non-depreciable assets the carrying amounts of such properties are presumed to be recovered entirely through sale.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VII. Property, plant and equipment

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition and hence regarded thereafter as historical cost.

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalized in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalized where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalized.

VIII. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and Amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

IX. Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided on buildings and plant & machinery on a straight-line method and in case of other tangible assets, on written-down value method over the estimated useful lives of the assets as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for plant and machinery, where the life has been assessed as under based on technical advice, taking into account the nature of the plant and machinery, the estimated usage of the plant and machinery, the operating conditions of the plant and machinery, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The useful lives of plant and machinery has been estimated as 22 years and 30 years for different categories as technically determined.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Intangible assets are amortized over their estimated useful lives on straight line method. The amortization rates used for intangible assets are as under:

Class of assets	Years
Software	5 years

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

X. Impairment of non-current assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

XI. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, traded goods and stores and spares are ascertained on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XII. Financial Instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

A. Financial assets

a) Recognition and initial measurement

i) The Company initially recognizes loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company became a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

ii) In case of investments in subsidiaries, the Company has chosen to measure its investments at deemed cost.

iii) The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

b) Classification

On initial recognition, a financial asset is classified as measured at; amortized cost, FVOCI or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 13. A debt instrument is classified as FVOCI only if it meets both the of the following conditions and is not recognised at FVTPL;

- The asset 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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Notes to the Standalone Financial Statements
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Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Impairment

<u>Impairment of financial assets</u>

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 amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative standalone financial statements)
e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

I) Trade receivables or contract revenue receivables; and
II) All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes 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 recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

i) Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

ii) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

iii) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

e) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c) Compound instruments

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium/other equity. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in Statement of Profit and Loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

d) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the [Statement of comprehensive income/Statement of Profit and Loss].

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in Statement of Profit and Loss.

e) Derivative financial instruments

The Company has entered into forward exchange contracts or principal only swap which are in substance of forward exchange contracts to manage its exposure to foreign currency cash flows.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period.

f) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there

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for the year ended March 31, 2020

is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortized Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

XIII. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

XIV. Earnings per share

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares and potential common shares from outstanding stock options.

XV. Segment Accounting

Identification of segments: Segments are identified in line with Ind AS - 108 "Operating Segments", taking into consideration the internal organization and management structure as well as the differential risk and returns of the segment.

The Company operates in Textile business which is the only reportable segment in accordance with the requirements of Ind-AS 108 "Operating Segments". These activities are mainly conducted only in one geographical segment viz, India. Therefore, the disclosure requirements under the Ind AS 108 "Operating Segments" are not applicable.

Segment Policies: The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

XVI. Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Grants of the State and Central Government which are intended to compensate a specified percentage of the interest on borrowings are netted off against the related interest expenditure on borrowings.

Government grants whose primary condition is that Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss in the period in which they become receivable.

XVII. Provisions, Contingent liabilities, Contingent assets and Commitments: General

Provisions are recognised only when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

Contingent liability is disclosed in the case of:
A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
A present obligation arising from the past events, when no reliable estimate is possible;
A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

XVIII. Cash flow statement

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Company are segregated.

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

3.1 Critical Judgments in applying accounting policies and key sources of estimation uncertainty

(a) Critical judgments in applying accounting policies

In the course of applying the policies outlined in all notes under section 2 above, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

(b) Key sources of estimation uncertainty

i) Useful lives and residual value of property, plant and equipment

Company reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, useful lives are reviewed annually using the best information available to the Management.

ii) Fair value measurements and valuation process

Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied. Other financial instruments are valued using a discounted cash flow method based on assumptions supported, where possible, by observable market prices or rates. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 41.

iii) Defined benefit plans

The cost of the defined benefit plans viz. gratuity, superannuation for the eligible employees of the Company are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

Further details about gratuity obligations are given in Note 40.

iv) Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

4 Property, Plant and Equipment (₹ in crores)

Particulars	Freehold land	Buildings	Plant and machinery	Furniture, fixtures and Office equipments	Vehicles	Total
Cost or deemed cost						
At April 01, 2018	**471.75**	**927.77**	**4,783.78**	**24.55**	**16.33**	**6,224.18**
Additions	320.76	471.99	1,859.80	3.23	2.68	2,658.46
Disposals	-	(0.02)	(0.21)	-	(0.65)	(0.88)
At March 31, 2019	**792.51**	**1,399.74**	**6,643.37**	**27.78**	**18.36**	**8,881.76**
Additions	-	-	0.37	0.14	-	0.51
Disposals	(5.93)	-	(0.64)	-	(7.10)	(13.67)
At March 31, 2020	**786.58**	**1,399.74**	**6,643.10**	**27.92**	**11.26**	**8,868.60**
Accumulated depreciation and impairment						
At April 01, 2018	**-**	**28.83**	**303.69**	**6.74**	**9.06**	**348.32**
Charged to Statement of Profit and Loss during the year		33.51	189.94	5.42	2.61	231.48
Disposals		-	(0.12)		(0.24)	(0.36)
At March 31, 2019	**-**	**62.34**	**493.51**	**12.16**	**11.43**	**579.44**
Charged to Statement of Profit and Loss during the year		47.57	230.08	4.23	1.66	283.54
Disposals		-	(0.05)		(5.39)	(5.44)
At March 31, 2020	**-**	**109.91**	**723.54**	**16.39**	**7.70**	**857.54**
Net book value						
At March 31, 2019	**792.51**	**1,337.40**	**6,149.86**	**15.62**	**6.93**	**8,302.32**
As at March 31, 2020	**786.58**	**1,289.83**	**5,919.56**	**11.53**	**3.56**	**8,011.06**

4.1 Addition to Fixed Assets include Capitalisation of borrowing Cost pertaining to qualifying assets of Nil (Previous year ₹ 193.30 crores).

4.2 The detail of property, plant and equipments pledged against borrowings are presented in note 20 and 23.

5 Other intangible assets (₹ in crores)

Particulars	Computer software
Cost or deemed cost	
As at April 01, 2018	**4.85**
Additions	0.01
As at March 31, 2019	**4.86**
Additions	-
As at March 31, 2020	**4.86**
Accumulated amortisation and impairment	
At April 1, 2018	**0.66**
Charged to Statement of Profit and Loss during the year	0.94
As at March 31, 2019	**1.60**
Charged to Statement of Profit and Loss during the year	0.85
As at March 31, 2020	**2.45**
Net book value	
As at March 31, 2019	**3.26**
As at March 31, 2020	**2.41**

6 Depreciation and amortisation expense (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of Property, plant and equipment	283.54	231.48
Amortisation of intangible assets	0.85	0.94
Total depreciation and amortisation	**284.40**	**232.42**

Notes to the Standalone Financial Statements

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7 Investments (non-current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
I Investments (At deemed cost)		
A. Trade, Unquoted		
Investments in Equity Instruments		
Subsidiary:		
BVM Overseas Ltd.		
45,00,000 (previous year 45,00,000) shares of ₹ 10 each fully paid	4.50	4.50
Total Investments in equity instruments at deemed cost (i)	**4.50**	**4.50**
II At fair value through other comprehensive income		
Investment in unquoted equity instruments		
BVM Finance Pvt Ltd		
17,38,000 (previous year 17,38,000) shares of ₹10 each fully paid	-	0.18
Sintex Oil & Gas Ltd		
50,000 (previous year 50,000) shares of ₹10 each fully paid	-	0.05
Healwell International Ltd		
9,00,000 (previous year 9,00,000) shares of ₹10 each fully paid	2.25	3.00
Zep Infratech Ltd (formerly known as Sixvents Power and Engineering Ltd)		
13,300 (previous year 13,300) shares of ₹10 each fully paid	0.01	0.01
Investments in quoted equity instruments		
Bank of Baroda (formerly known as Dena Bank)		
3,322 (previous year 3,322) shares of ₹10 each fully paid	0.02	0.04
III Investment in Trust Securities		
AAVAS TRUST 2019		
33,30,22,460 (previous year Nil) units of ₹1 per unit	33.30	-
Total Investments at fair value through other comprehensive income (ii)+(iii)	**35.58**	**3.28**
Total (i) + (ii)+(iii)	**40.08**	**7.78**
Aggregate amount of quoted Investments	**0.02**	**0.04**
Aggregate market value of quoted investment	**0.02**	**0.04**
Aggregate carrying value of unquoted Investments	**40.06**	**7.74**

8 Loans (non current) (Unsecured, considered good) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits & Earnest money deposits	3.54	4.55
Total	**3.54**	**4.55**

9 Other non-current assets (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Capital advances	379.97	345.16
(b) Service tax paid under protest	4.04	4.04
Total	**384.01**	**349.20**

10 Non-Current Tax Assets (Net) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Tax (Net of Provision for Taxation)	46.90	57.49
Total	**46.90**	**57.49**

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

11 Inventories (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Raw materials	42.64	83.00
(b) Work-in-progress	27.13	38.67
(c) Finished goods	45.71	113.72
(d) Stores and spares	3.61	5.14
Total	**119.09**	**240.53**

12 Current investments (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Investments at fair value through Statement of Profit and Loss		
Non- Trade, Unquoted		
Mutual funds		
Nil (Previous Year 3,184) Principal Cash Management Fund - Regular Plan Growth, face value of ₹10	-	0.53
Aggregate carrying value of unquoted investments	**-**	**0.53**

13 Trade receivables * (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables, Unsecured, considered good	163.63	484.36
Trade Receivables, credit impaired	0.19	0.19
Less: Provision for trade receivables	(0.19)	(0.19)
Total	**163.63**	**484.36**

* Note

The average credit period on sales of good is 0 to 180 days. Credit Risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. The concentration of credit risk is limited due to the fact that the customer base is large. There is no other customer representing more than 10% of the total balance of trade receivables except Wholly Owned Subsidiary (WOS).

14 Cash and Cash Equivalents (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Balance with banks	5.55	33.32
(b) Cash on hand	0.43	0.35
(c) Bank deposits with upto 3 months maturity	4.48	39.02
	10.46	**72.69**
Other bank balances		
Earmarked balances with banks		
- Unclaimed dividend accounts	0.92	1.03
	0.92	**1.03**
Total	**11.38**	**73.72**

15 Bank Balances other than (14) above (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Other bank balances		
Bank deposits having maturity beyond 3 months	-	-
Total	**-**	**-**

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

16 Loans (Current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good, unless otherwise stated		
(a) Security deposits & earnest money deposits	1.21	1.29
(b) Others loans		
Unsecured, considered good	60.87	107.42
Doubtful	54.20	-
Less: Provision for other doubtful loans and advances	(54.20)	-
	60.87	107.42
Total	**62.08**	**108.71**

17 Other current assets (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Export incentive receivable	0.08	0.41
(b) Advances recoverables in cash or kind	278.52	300.50
(c) Prepaid expenses	5.40	8.93
(d) Balances with government authorities	37.58	59.51
(e) Subsidies receivable (Refer note 49)	326.96	440.95
(f) Interest receivable	0.09	0.88
Total	**648.63**	**811.18**

18 Equity Share capital (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised		
65,00,00,000 (previous year 65,00,00,000) Equity Shares of ₹ 1 each	65.00	65.00
Total	**65.00**	**65.00**
Issued		
59,41,26,888 (previous year 59,41,26,888) Equity Shares of ₹ 1 each	59.41	59.41
Total	**59.41**	**59.41**
Subscribed and fully paid up		
59,40,95,088(previous year 59,40,95,088) Equity Shares of ₹ 1 each	59.41	59.41
Total	**59.41**	**59.41**

Notes:-

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Conversion of FCCB into equity shares during the year	Right issue during the year	Closing Balance
Equity Shares				
Year ended 31st March 2019				
- Number of shares	594,095,088	-	-	594,095,088
- Amount (₹ In Crore)	59.41	-	-	59.41
Year ended 31st March 2020				
- Number of shares	594,095,088	-	-	594,095,088
- Amount (₹ In Crore)	59.41	-	-	59.41

(ii) Terms/ Rights attached to equity shares
The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity share is entitled to one vote per share.
In view of losses incurred by the Company, the Board of Directors has not recommended dividend for the year ended on 31st March'2020.

(iii) As at 31st March, 2020: 98,79,844 shares (previous year 98,79,844 shares) were reserved for issuance towards Foreign Currency Convertible Bonds (FCCB).

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

(iv) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Class of shares / Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
BVM Finance Private Limited	16,303,905	2.74%	78,103,905	13.15%
Kolon Investment Private Limited	5,877,110	0.99%	55,877,110	9.41%
Opel Securities Private Limited	4,223,452	0.71%	30,223,452	5.09%

19 Other Equity

Refer Statement of Changes in Equity for detailed movement in Equity Balances

A. Summary of Other Equity Balances (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Securities premium	1,116.01	1,116.01
(b) Debenture redemption reserve	111.03	111.03
(c) General reserve	428.58	428.58
(d) Equity instruments through Other Comprehensive income	(9.56)	(8.56)
(e) Equity Components of compound financial instruments (FCCBs)	-	14.54
(f) Retained Earning	1,424.05	2,675.22
Total	**3,070.11**	**4,336.82**

B. Nature and purpose of reserves

(a) Securities Premium
Securities Premium is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

(b) Debenture redemption reserve
This reserve has been created for redemption of debentures issued by the company in compliance of provisions of the Companies Act, 2013 and rules framed there under.

(c) General Reserve
The general reserve is created from time to time by transfer of profits from retained earnings for appropriate purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statement of profit and loss.

(d) Equity instruments through other comprehensive income
The reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.

(e) Retained earnings
The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

20 Borrowings (non-current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
(a) Debentures (refer note (i) to (iii) below)	-	414.66
(b) Term loans		
(i) From banks (refer note (iv) to (vi) below)	-	3,432.04
(ii) From a Financial Institution (refer note (iv) to (vi) below)	-	356.74
(iii) Foreign Currency Term loans from a bank (Refer note(vii) below)	-	197.81
Unsecured - at amortised cost		
(a) Foreign Currency Convertible Bonds	-	67.55
(b) Foreign Currency Term loans from a bank (Refer note (viii) below)	-	68.64
Total	**-**	**4,537.44**

Notes:

(i) 2,500 (Previous year 2,500) 9.41% Secured Redeemable Non Convertible debentures of ₹ 10,00,000/- each, are redeemable at par on 8th October, 2020. The Debentures are secured by first pari passu charge on fixed assets (excluding spinning unit) of the Company.

(ii) 1,375 (Previous year 1,375) 10.70% Secured Redeemable Non Convertible debentures of ₹ 10,00,000/- each, are redeemable at par in three equal annual installments starting from 30th September, 2019. The Debentures are secured by first pari passu charge on fixed assets (excluding spinning unit) of the Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

(iii) 1,125 (Previous year 1,125) 10.70% Secured Redeemable Non Convertible debentures of ₹ 10,00,000/- each, are redeemable at par in three annual installments starting from 11th June, 2019. The Debentures are secured by first pari passu charge on fixed assets (excluding spinning unit) of the Company.

(iv) Term Loans from the banks and Financial Institution referred in point no (f) of Note (vi) below are secured by first charge on pari passu basis on all the immovable and movable properties of the Company, both present and future excluding properties of spinning unit and on specified current assets and book debts on which prior charge created in favour of the Banks for working capital facilities (refer note 23).

(v) Term Loans from the banks and Financial Institution referred in point no (a) (b) and (c) of Note (vi) below from the banks and financial institution are secured by first charge on pari passu basis on respective project assets of the spinning unit. The Phase I and II lenders of spinning unit are also secured by second pari passu charge over the entire current assets both present & future of Spinning Project.

(vi) Terms of repayments of term loans (including current maturities of long term debt) carrying interest rate range of 2.4% to 12.55% p.a. are given below:-

(a) Loan outstanding of ₹ 935.26 crores (previous year ₹ 935.31 crores) - the overall loan repayment term includes 30 quarterly installment of ₹ 40.67 crores each starting from August 2017 to November, 2024.

(b) Loan outstanding of ₹ 1026.68 crores (previous year ₹ 1057.35 crores) - the overall loan repayment term includes 30 quarterly installment of ₹ 40.67 crores each starting from April, 2018 to September, 2025.

(c) Loan outstanding of ₹ 1761.75 crores (previous year ₹ 1761.75 crores) - the overall loan repayment term includes 36 quarterly installment of ₹ 52.40 crores each starting from September, 2020 to June, 2029.

(d) Loan outstanding of ₹ 75.14 crores (previous year ₹ 76.31 crores) - the loan repayment term includes 32 structured quarterly installment of ₹ 1.03 crores each starting from December, 2016 till September, 2021 and ₹ 4.125 crores starting from December, 2021 to September, 2025(For Security refer note (i) to (iii) above)

(e) Loan outstanding of ₹ 84.79 crores (previous year ₹ 84.98 crores) - the loan repayment term includes 32 structured quarterly installment of ₹ 1.15 crores each starting from December, 2017 to September, 2021 and ₹ 4.59 crores starting from December,2021 to September 2025. (For Security refer note (i) to (iii) above)

(f) The Technology Upgradation Fund Scheme (TUFs) term loans include:

(i) Loan outstanding of ₹ 73.08 crores (previous year ₹ 79.33 crores) - the overall loan repayment term includes 32 quarterly installment of ₹ 6.25 crore each starting from 1st October, 2014 till 1st July, 2022.

(ii) Loan outstanding of ₹ 58.62 crores (previous year ₹ 58.62 crores) - the overall loan repayment term includes 32 quarterly installment of ₹ 4.51 crores each commencing after 27 months moratorium period i.e. starting from 1st October, 2014 till 1st July, 2022.

(iii) Loan outstanding of ₹ 35.44 crores (previous year ₹ 35.44 crores) - the overall loan repayment term includes 32 quarterly installment of ₹ 3.13 crores each commencing from 1st October, 2014 till 1st July, 2022.

(vii) Foreign currency loan of ₹ 159.45 crores (previous year ₹ 149.19 crores) and ₹ 96.65 crores (previous year ₹ 96.46 crores) respectively has been secured against the specified assets created out of such loans and the same is payable in 19 and 16 half yearly installment respectively commencing from 1st April, 2019 and 14th May,2019 respectively till 1st April,2028 and 16th November,2026 respectively.

(viii) Foreign currency loan of ₹ 75.39 crores (previous year ₹ 69.17 crores) payable in 2 yearly equal installment commencing from 5th April, 2021.

(ix) In view of the continuing default in payment of dues, most of the lenders have sent notices / letters recalling their loans given and called upon the Company to pay entire dues and other liabilities. Hence in view of the said facts & considering the matter of prudence, whole of the long term borrowing outstanding as on 31st March'2020 has been classified as current borrowings.

21 Provisions (non-current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
(i) Provision for compensated absences	2.03	4.26
(ii) Provision for gratuity	3.41	5.85
Total	**5.44**	**10.11**

22 Deferred tax liabilities (Net) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred Tax Liability		
(i) Difference between book and tax depreciation	968.62	830.10
(ii) Recognition of equity component of compounded financial instruments (FCCBs)	-	8.38
	968.62	**838.48**
Deferred Tax Asset		
(i) Disallowances under Income Tax	4.90	6.24
(ii) Provision for doubtful debts & advances	19.01	0.07
(iii) Unabsorbed depreciation	663.26	463.34
(iv) Minimum Alternate Tax	281.45	281.89
	968.62	751.54
Total	**-**	**86.94**

Ind AS 12, 'Income Taxes" requires the company to determine probability of sufficient taxable income to utilize the deferred tax assets including MAT credit. Considering the factors described in Note 35 below, the company is of the view to recognize deferred tax assets of ₹ 78.57 Crores (i.e. to the extent of deferred tax liability outstanding) upto 31st March 2020.

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

23 Borrowings (current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
Loans repayable on demand from banks (Refer note below)	1,210.29	734.68
Unsecured- at amortised cost		
From companies	277.42	42.46
Total	**1,487.71**	**777.14**

Note: Loans from the banks are secured by first charge on the stocks and book debts of the Company, both present and future. This is further secured by (i) Second and subservient charge on the Borrower's immovable fixed assets at (a) Phase-III at Village Lunsapur, Amreli, (b) Village Kalol, Taluka Kalol, District Gandhingar and (c) Village Saij, Taluka Kalol, District Gandhinagar together with all the plant and machinery (ii) second pari passu charge on the Borrower's all the immovable fixed assets relating to Phase-I and Phase-II at Village Lunsapur, Amreli together with all the plant and machinery.

24 Trade payables (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of Micro and Small Enterprises	4.08	10.63
Total outstanding dues of creditors other than micro and small enterprise	168.58	357.69
Total	**172.66**	**368.32**

The average credit period on purchases of certain goods is 7 to 180 days. No interest is charged on the trade payables for the first 180 days from the date of invoice. Thereafter, interest is payable at 18% per annum on the outstanding balance. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Dues payable to Micro and Small Enterprises: (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount remaining unpaid to any supplier as at the year end	4.08	10.63
Interest due on the above mention principal amount remaining unpaid to any supplier as at the year end	-	0.21
Amount of the interest paid by the Company in terms of Section 16	-	-
Amount of the interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act	-	0.21
Amount of interest accrued and remaing unpaid at the end of the accounting year	-	0.21

25 Other financial liabilities (Current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Current maturities of long-term borrowings (Refer note 20 borrowings(Non Current Borrowings) for details of security)	4,984.02	636.28
(b) Interest accrued on borrowings	574.17	31.96
(c) Investor's Education and Protection Fund		
(i) Unclaimed dividends	0.92	1.03
(d) Acceptances	111.96	550.11
(e) Others:		
(i) Payables on purchase of fixed assets	82.54	38.24
(ii) Trade / security deposits received	0.34	0.69
Total	**5,753.96**	**1,258.31**

26 Other current liabilities (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Statutory remittances	2.43	6.34
(b) Advances from customers	0.94	8.56
Total	**3.37**	**14.90**

27 Provisions (Current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
(i) Provision for compensated absences	4.30	0.68
(ii) Provision for gratuity	0.97	3.09
Total	**5.27**	**3.77**

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

28 Revenue from operations (Refer Note 45) (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of products	1,638.50	2,827.26
Less: Commission towards sales	(3.58)	(6.49)
Total	**1,634.92**	**2,820.77**

29 Other income (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income earned on financial asset that are not designated as at fair value through profit or loss (FVTPL)	15.15	16.98
(b) Net gain on sale / transfer of investments of current investments	-	0.01
(c) Subsidies from government authorities	7.86	60.44
(d) Net gain on foreign currency transactions and translation (other than considered as finance cost)	-	8.51
(e) Profit on sale of Fixed Assets (Net)	-	0.38
(f) Excess provision of earlier year written back	-	4.17
(g) Miscellaneous income	4.50	1.06
Total	**27.51**	**91.55**

30 Cost of materials consumed (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock	83.00	378.48
Add: Purchases	1,063.06	1,510.77
Less: Closing stock	42.64	83.00
Cost of materials consumed	**1,103.42**	**1,806.25**

31 Changes in inventories of finished goods and work-in-progress (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year:		
(a) Finished goods	45.71	113.72
(b) Work-in-progress	27.13	38.67
	72.84	152.39
Inventories at the beginning of the year:		
(a) Finished goods	113.72	100.04
(b) Work-in-progress	38.67	28.11
	152.39	128.15
Net (increase) / decrease	**79.55**	**(24.24)**

32 Employee benefits expense (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Salaries and wages	144.81	159.54
(b) Contributions to provident and other funds	9.20	11.18
(c) Staff welfare expenses	3.49	7.87
Total	**157.50**	**178.59**

33 Finance costs (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest costs on borrowings carried at amortised cost (net of interest subsidy)	702.57	188.81
(b) Other Borrowing Costs	39.46	20.01
Total	**742.03**	**208.82**

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

34 Other expenses (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Consumption of stores and spare parts	38.45	87.53
(b) Power and fuel	183.56	238.70
(c) Rent including lease rentals	0.83	2.05
(d) Repairs and maintenance - Buildings	0.30	2.13
(e) Repairs and maintenance - Machinery	0.47	1.15
(f) Repairs and maintenance - Others	2.93	3.29
(g) Insurance	13.42	5.15
(h) Rates and taxes	1.80	1.45
(i) Traveling and conveyance	5.21	13.36
(j) Transport & Freigh Charges	7.25	6.23
(k) Donations and contributions	1.02	0.24
(l) Expenditure on Corporate Social Responsibility (Refer Note-43)	-	9.51
(m) Payments to auditors (Refer below note)	0.15	0.49
(n) Legal & Professional charges	9.42	10.61
(o) Provisions for Doubtful Advances and Subsidy	99.85	-
(p) Bad Debts written off	128.57	70.38
(q) Loss on sale of Assets	0.04	-
(r) Forex Loss	40.73	-
(s) General Expenses	96.20	21.80
Total	**630.20**	**474.07**
Payments to Auditors		
(a) For audit	0.10	0.35
(b) For other services (including certifications, etc.)	0.05	0.14
Total	**0.15**	**0.49**

35 The company is undergoing substantial financial stress and severe liquidity constraints since last ten months coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits with delay in disbursements, Covid related disruptions etc. which has resulted into reduction in capacity utilization of its plants and, therefore, steep fall in sales volume and incurring of losses. The company has defaulted in debt obligation of debentures aggregating to ₹ 466.67 crores for the period April'19 to March 20 apart from other credit facilities. Further, Company's inability to meet its obligation in relation to the payment of certain letters of credit which led to devolvement and consequent over utilization of the cash credit facilities availed by the Company for more than 30 days, delay in payment of certain term loan installments as well as interest thereof and in view of the same on 12th June,2019 the Company has suffered downgrades in its credit rating from "BWR A-Stable" to "BWR D-Stable". However, Company has made provision for interest for FY 2019-20.

The company submitted a Comprehensive Resolution Plan to all the lenders involving the re-structuring of debt availed. The proposal was prepared in accordance with the requirement set out in the circular issued by the Reserve Bank of India No. RBI/2018-19/203.DBR.NO.BP.BC.45/21.04.048/2018-19 dated 7th June, 2019, which was not accepted in all lenders meeting held on 5th July, 2019. The Inter-Creditor Agreement (ICA) for a potential restructuring of the company's liabilities was signed on 6th July, 2019. The company submitted a revised Resolution Plan to lenders on 16th December, 2019, which was not accepted by the lenders due to higher provisioning requirement, post which petition has been filed by the financial creditors before the National Company Law Tribunal (NCLT), Ahmedabad under Section 7 of Insolvency and Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the company. The petition has yet not got admitted. The ability of the company to continue as going-concern is predicated upon the outcome of CIRP and scale up of company level of operations post Covid 19. In view of the same, results have been prepared on the basis that the company is a going-concern.

36 On account of the high cost of operations and to create synergies of having operations at a single location, the management of the company is evaluating to shift manufacturing facilities of structured fabrics from its existing location at Kalol to its Yarn division at Vill. Lunsapur Tal. Jafrabad, Dist. Amreli. In view of this, the manufacturing operations of structured fabrics (except bleaching facility) at Kalol is discontinued effective from 1st July, 2019. The land and factory building of its Kalol plant will be disposed of after obtaining requisite approvals including from lenders, the proceeds of which shall be utilized for repayment of borrowings. The net realizable value of these assets held for disposal as estimated by the management is in excess of its carrying value as per books of accounts of the company. The management of the company has assessed whether any provision needs to be recognised on account of the impairment of assets in respect of property , plant and equipment of its Textile Division, which shall be shifted to and shall become an integral part of its Yarn division at Vill. Lunsapur and, therefore, Considering all relevant factors, the management has determined that there is no impairment loss which needs to be provided for.

Notes to the Standalone Financial Statements

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37 Foreign Currency Convertible Bonds (FCCBs)

On May 25, 2016, the Company issued USD 110 million Step Down Convertible Bonds due 2022 ("FCCBs"). The FCCBs bear interest (i) at the rate of 7% p.a from May 25, 2016 to May 25, 2018 and (ii) at the rate of 3.50% p.a from May 25, 2018 to May 25, 2022, payable semi-annually in arrear on the interest payment dates falling every year on 25 November and 25 May.

The FCCBs are convertible at any time on and after July 5, 2016 and up to the close of business on May 15, 2022 by holders of the FCCBs into fully paid equity shares with full voting rights of the Issuer each with a nominal value of ₹ 1 at the option of the holder, at an initial conversion price of ₹ 93.8125 per share with a fixed rate of exchange on conversion of ₹ 67.4463 = USD 1.00. The conversion price is subject to adjustment in certain circumstances and may be reset on November 25, 2018 and November 25, 2019 in accordance with the terms and conditions of the FCCBs.

Pursuant to the Composite Scheme of Arrangement approved by National Company Law Tribunal on 12th May,2017 on exercising option for conversion of the FCCBs, the FCCB holders shall receive one fully paid equity shares of ₹ 1 each with full voting rights of Sintex Plastics Technology Limited (SPTL) and further the repayment of FCCBs is guaranteed by SPTL. In case of payment of any outstanding sum to the outstanding FCCB holders by the SPTL, the company shall without any further act, instrument, deed, matter or things, make the payment to SPTL as mutually decided by the company and SPTL.

No FCCB's have been converted during the year .There are USD 13.5 Million FCCB's outstanding for convertion as on March 31, 2020. Further, company has defaulted in payment of interest amounting to USD 0.24 Million for the period 25th May,2019 to 25th November, 2019.

38 Segment information

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of paragraph 3 of Ind AS 108 "Operating Segments", no discolures related to segments are presented in this standalone financial statements.

39 Related Party Transactions

a. Names of the related parties and description of relationship

Sr. No.	Nature of Relationship	Name of Related Parties
1	Key Management Personnel	Shri Rahul A. Patel, Chairman & Managing Director Shri Amit D. Patel, Managing Director
2	Relatives of Key Management Personnel	Shri Dinesh B. Patel, Chairman (upto 29th March,2019) Shri Arun P. Patel, Vice-Chairman (upto 29th March,2019)
3	Subsidiary	BVM Overseas Limited

b.1 Transactions during the year with related parties*: (₹ in crores)

Sr. No.	Nature of Transactions	Nature of Relationship		
		Subsidiaries	Key Management Personnel & relatives thereof	Total
1	Purchase of goods/services*	6.51	-	6.51
		(38.79)	-	(38.79)
2	Sale of goods/services*	550.40	-	550.40
		(1,713.45)	-	(1,713.45)
3	Reimbusement of Expenses recovered	0.19	-	0.19
		(0.15)	-	(0.15)
4	Managerial remuneration	-	-	-
		-	(1.87)	(1.87)
5	Sitting fees	-	-	-
		-	(0.06)	(0.06)

* Including taxes.

b.2 Balance as at March 31, 2020 * (₹ in crores)

Sr. No.	Nature of Transactions	Nature of Relationship		
		Subsidiaries	Key Management Personnel & relatives thereof	Total
1	Trade Payable	27.01	6.00	33.01
		(21.59)	(6.00)	(27.59)
2	Trade Receivable	129.31	-	129.31
		(181.52)	-	(181.52)

* Figures in brackets indicates figures of previous year

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

b.3 Disclosure of Material Related Party Transactions during the year and Balance outstanding

1 Purchase of goods from BVM Overseas Ltd. ₹ 6.51 crores (Previous Year ₹ 38.79 crores), Balance as on March 31, 2020 ₹ 27.01 crores (Previous Year ₹ 21.59 crores).

2 Sale of goods to BVM Overseas Ltd ₹ 550.40 Crores (Previous Year ₹ 1713.45 crores). Balance as on March 31, 2020 ₹ 129.31 crores (Previous Year ₹ 181.52 crores).

3 Reimbursement of Expenses recovered from BVM Overseas Ltd ₹ 0.19 crores (Previous Year ₹ 0.15 crores)

4 Managerial Remuneration include remuneration to Shri Rahul A. Patel Nil (Previous Year ₹ 0.93 crores), Shri Amit D. Patel Nil (Previous Year ₹ 0.94 crores).

5 Sitting fees paid includes to Shri Dinesh B. Patel Nil (Previous Year ₹ 0.03 crores), Shri Arun P. Patel Nil (Previous Year ₹ 0.03 crores).

40 Employee benefits plans

a. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the plans are held separately from those of the Company in funds under the control of trustees. Where employees leave the plans prior to full vesting of the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 6.30 crores (for the year ended March 31, 2019 ₹ 7.44 crores) for Provident Fund contributions and Nil (for the year ended March 31, 2019 ₹ 0.78 crores) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

b. Defined benefit plans:

The Company sponsors funded defined benefit plans for qualifying employees of its subsidiaries. The defined benefit plans are administered by a separate Fund that is legally separated from the entity. The board of the fund is composed of an equal number of representatives from both employers and (former) employees. The board of the fund is required by law and by its articles of association to act in the interest of the fund and of all relevant stakeholders in the scheme, i.e. active employees, inactive employees, retirees, employers. The board of the fund is responsible for the investment policy with regard to the assets of the fund.

Under the Gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for Gratuity as payable under The Payment of Gratuity Act is 5 years. Under the Compensated absences plan, leave encasement is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The defined benefit pension plans requires contributions from employees. Contributions are in the following two forms; one is based on the number of years of service and the other one is based on a fixed percentage of salary of the employees. Note 3(V) describes change in accounting in the current year following the adoption of the amendments to Ind AS 19.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bond yields; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity securities and debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is re-insured by an external insurance company. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2019 by M/s Kapadia Actuaries & Consultants. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

c. The Company offers the following employee benefit schemes to its employees:

i. Gratuity (Funded through annual payment to Life Insurance Corporation of India) and other Insurance Companies.
ii. Compensated Absences (Unfunded)

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

A. Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	5.45%	7.75%
Expected rate(s) of salary increase	2% p.a for next five years and 5% p.a thereafter	5.00%
Attrition rate	50% p.a at younger age reducing to 10% p.a at older age	3% at younger ages reducing to 1% at older ages
Expected return on plan assets	5.45%	7.75%
Mortality tables	Indian Assured Lives Mortality (2012-14)	
Actuarial Valuation Method	Projected Unit Credit Method	

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factor.

Amount recognised in Statement of Profit and Loss in respect of these defined benefit plans are as follows: (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Components of employer expense		
Current service cost	2.36	2.49
Net interest expense	0.57	0.67
Component of defined benefit costs recognised in Statement of Profit and Loss	**2.93**	**3.16**
Remeasurement of the net defined benefit liability:		
Actuarial losses/(gains)	1.11	(1.61)
Return on plan assets (excluding interest income amounts included in 'Net interest expense')	0.08	(0.12)
Components of defined benefit costs recognised in other comprehensive income	**1.19**	**(1.73)**
Total	**4.12**	**1.43**

The current service cost and net interest expense for the year are included in the 'Employee benefit expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans are as follows: (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	4.70	11.07
Less: Fair value of plan assets	0.32	2.13
Net liability/(asset) arising from defined benefit obligation	**4.38**	**8.94**

Movement in present value of the defined benefit obligation are as follows: (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening defined benefit obligation	11.07	12.95
Current service cost	2.36	2.49
Interest cost	0.82	0.92
Actuarial (gains) / losses	1.11	(1.61)
Past service cost	-	-
Benefits paid	(10.66)	(3.69)
Closing defined benefit obligation	**4.70**	**11.07**

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

Movement in the fair value of the plan assets are as follows: (₹ in crores)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening fair value of plan assets	2.13	2.95
Adjustment to the opening fund	-	-
Interest income	0.25	0.25
Expected return on plan assets excluding amounts included in interest income	(0.08)	0.12
Contribution by employer	8.68	2.50
Actuarial gain / (loss)	-	-
Benefits paid	(10.66)	(3.69)
Closing fair value of plan assets	**0.32**	**2.13**
Actual return on plan assets	(0.08)	0.12

Composition of the plan assets:

Particulars	As at March 31, 2020	As at March 31, 2019
Policy of Insurance	3%	85%
Bank balance	97%	15%

(₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimate of amount of contribution in the immediate next year	0.97	3.09

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in crores)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Gratuity:				
Discount rate (0.5% movement)	4.64	4.75	10.44	11.75
Future salary growth (0.5% movement)	4.75	4.64	11.73	10.45

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analyzed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

The expected benefit payments is as follows: (₹ in crores)

Particulars	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Gratuity:					
As at March 31, 2020					
Defined benefit obligation	0.52	0.48	1.46	0.86	3.32
As at March 31, 2019					
Defined benefit obligation	0.96	0.45	2.04	3.55	7.00

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

B. Compensated Absences:

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	5.45%	7.75%
Expected rate(s) of salary increase	2% p.a for 5 years and 5% thereafter	5.00%
Attrition rate	50 % p.a younger ages reducing to 10% p.a at older ages	3% at younger ages reducing to 1% at older ages
Mortality tables	Indian Assured Lives Mortality (2012-14)	
Actuarial Valuation Method	Projected Unit Credit Method	

The amount included in Balance sheet arising from the entity's obligation in respect of its defined benefit obligation plans are as follows:

(₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation Fair value of plan assets	6.33	4.94
Net liability/(asset) arising from defined benefit obligation	**6.33**	**4.94**

41 Financial instruments

1 Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows. (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt (i)	7,045.90	5,982.82
Less: Cash and bank balances (Refer note 14 and 15)	11.38	73.72
Net debt	**7,034.52**	**5,909.10**
Total equity	**3,129.52**	**4,396.23**
Net debt to equity ratio	**2.25**	**1.34**

(i) Debt is defined as long-term and short term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), as described in earlier notes (Refer note 20, 23 and 25).

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

2 Categories of financial instruments (₹ in crores)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair values	Carrying values	Fair values
Financial assets				
Measured at amortised cost				
Non-current investments	4.50	4.50	4.50	4.50
Loans	65.62	65.62	113.26	113.26
Trade receivables	163.63	163.63	484.36	484.36
Cash and cash equivalents	11.38	11.38	73.72	73.72
Bank balances other than cash and cash equivalents	-	-	-	-
Total financial assets carried at amortised cost (A)	**245.13**	**245.13**	**675.84**	**675.84**
Measured at fair value through profit and loss				
Current investments in mutual funds	-	-	0.53	0.53
Total financial assets at fair value through profit and loss (B)	**-**	**-**	**0.53**	**0.53**
Measured at fair value through other comprehensive income				
Non-current investments in equity instruments	35.58	35.58	3.28	3.28
Total financial assets at fair value through other comprehensive income (C)	**35.58**	**35.58**	**3.28**	**3.28**
Total financial assets (A+B+C)	**280.71**	**280.71**	**679.65**	**679.65**
Financial liabilities				
Measured at amortised cost				
Non-current liabilities				
Non-current borrowings *	0.00	0.00	4,537.44	4,565.79
Current liabilities				
Short-term borrowings	1,487.71	1,487.71	777.14	777.14
Trade payables	172.66	172.66	368.32	368.32
Other financial liabilities	5,753.96	5,753.96	1,258.31	1,258.31
Total financial liabilities measured at amortised cost	**7,414.33**	**7,414.33**	**6,941.21**	**6,969.56**
Total financial liabilities	**7,414.33**	**7,414.33**	**6,941.21**	**6,969.56**

* The fair value of company's fixed interest borrowing are determined by using Discounted Cash Flow Method.

3 Financial risk management objectives

The Company's Corporate finance department provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

The Corporate Treasury function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates due to foreign currency borrowings and variable interest loans. The Company has not been able to enter into derivative contracts to manage part of its foreign currency risk considering credit default. The Company does not enter into derivative contracts to manage risks related to anticipated sales and purchases.

5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation.

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

(₹ in crores)

Particulars	As at March 31, 2020					As at March 31, 2019				
	USD	EURO	INR	Others	Total	USD	EURO	INR	Others	Total
Financial assets										
Non-current financial assets										
Investments	-	-	35.58	-	35.58	-	-	3.28	-	3.28
Loans	-	-	3.54	-	3.54	-	-	4.55	-	4.55
Total non-current financial assets (A)	**-**	**-**	**39.12**	**-**	**39.12**	**-**	**-**	**7.83**	**-**	**7.83**
Current financial assets										
Investments	-	-	-	-	-	-	-	0.53	-	0.53
Trade receivables	0.07		163.56		163.63	1.36	-	483.00	-	484.36
Cash and cash equivalents	-	-	11.38		11.38	2.17	-	71.55	-	73.72
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Loans	-	-	62.08	-	62.08	-	-	108.71	-	108.71
Total current financial assets (B)	**0.07**	**-**	**237.02**	**-**	**237.09**	**3.53**	**-**	**663.79**	**-**	**667.32**
Total financial assets (C)= (A) + (B)	**0.07**	**-**	**276.14**	**-**	**276.21**	**3.53**	**-**	**671.62**	**-**	**675.15**
Financial liabilities										
Non current financial liabilities										
Borrowings	-	-	-	-	-	136.19	197.81	4,203.44	-	4,537.44
Total non-current financial liabilities (D)	**-**	**-**	**-**	**-**	**0.00**	**136.19**	**197.81**	**4,203.44**	**-**	**4,537.44**
Current financial liabilities										
Borrowings	-	-	1,487.71		1,487.71	-	-	777.14	-	777.14
Trade payables	0.36	0.04	172.26	-	172.66	7.15	41.51	318.93	0.73	368.32
Other financial liabilities	238.79	262.09	5,253.08		5,753.96	11.50	29.21	1,217.60	-	1,258.31
Total current financial liabilities (E)	**239.15**	**262.13**	**6,913.05**	**-**	**7,414.33**	**18.65**	**70.72**	**2,313.67**	**0.73**	**2,403.77**
Total financial liabilities (F)= (D) + (E)	**239.15**	**262.13**	**6,913.05**	**-**	**7,414.33**	**154.84**	**268.53**	**6,517.11**	**0.73**	**6,941.21**
Excess of financial liabilities over financial assets (F)-(C)	**239.08**	**262.13**	**6,636.91**	**-**	**7,138.12**	**151.31**	**268.53**	**5,845.49**	**0.73**	**6,266.06**
Net Exposure of foreign currency risk	**239.08**	**262.13**	**-**	**-**	**501.21**	**151.31**	**268.53**	**-**	**0.73**	**420.57**
Sensitivity impact on Net liabilities / (assets) exposure at 10%	**23.91**	**26.22**	**-**	**-**	**50.13**	**15.13**	**26.86**	**-**	**0.07**	**42.06**

5.1 Foreign currency sensitivity analysis

The Company is mainly exposed to USD and EURO currency.
The above table details the Company's sensitivity to a 10% increase and decrease in the INR against relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency risk denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A negative number below indicates an increase in profit/equity where the INR strengths 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit/equity and the balances below would be positive.

5.2 Forward foreign exchange contracts

The Company has not been able to enter into forward foreign exchange contracts to cover foreign currency payments and receipts considering credit default.

6 Interest rate risk management

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company has exposure to interest rate risk, arising principally on changes in PLR and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The table in 6.1 provides a break-up of the Company's fixed and floating rate borrowings:

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's fixed and floating rate borrowings and interest rate sensitivity analysis.

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gross amount (₹ in crores)	Interest rate sensitivity @0.50% (₹ in crores)	Gross amount (₹ in crores)	Interest rate sensitivity @0.50% (₹ in crores)
Fixed loan	601.77	-	565.54	-
Variable loan	6,444.13	32.22	5,417.28	27.09
Total	**7,045.90**	**32.22**	**5,982.82**	**27.09**

7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned company did not exceed 10% of gross monetary assets at any time during the year excluding sales to WOS. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year excluding sales to WOS.

7.1 Collateral held as security and other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

8 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

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for the year ended March 31, 2020

(₹ in crores)

Particulars	As at March 31, 2020				As at March 31, 2019			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Non-current								
Investments	-	35.58	-	35.58	-	-	3.28	3.28
Loans	-	3.54	-	3.54	-	4.55	-	4.55
Total non-current financial assets	**-**	**39.12**	**-**	**39.12**	**-**	**4.55**	**3.28**	**7.83**
Current								
Investments	-	-	-	-	0.53	-	-	0.53
Trade receivables	163.63	-	-	163.63	484.36	-	-	484.36
Cash and cash equivalents	11.38	-	-	11.38	73.72	-	-	73.72
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-
Loans	62.08	-	-	62.08	108.71	-	-	108.71
Total current financial assets	**237.09**	**-**	**-**	**237.09**	**667.32**	**-**	**-**	**667.32**
Total financial assets	**237.09**	**39.12**	**-**	**276.21**	**667.32**	**4.55**	**3.28**	**675.15**
Financial liabilities								
Non-current								
Borrowings	-	-	-	-	-	3,009.93	1,527.51	4,537.44
Total non-current financial liabilities	**-**	**-**	**-**	**-**	**-**	**3,009.93**	**1,527.51**	**4,537.44**
Current								
Borrowings	1,487.71	-	-	1,487.71	777.14	-	-	777.14
Trade payables	172.66	-	-	172.66	368.32	-	-	368.32
Other financial liabilities	5,753.96	-	-	5,753.96	1,258.31	-	-	1,258.31
Total current financial liabilities	**7,414.33**	**-**	**-**	**7,414.33**	**2,403.77**	**-**	**-**	**2,403.77**
Total financial liabilities	**7,414.33**	**-**	**-**	**7,414.33**	**2,403.77**	**3,009.93**	**1,527.51**	**6,941.21**

9 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets. Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

(₹ in crores)

Particulars	Fair values as at March 31, 2020	Fair values as at March 31, 2019	Level*	Valuation technique and key inputs
Financial assets				
Non-current investments				
Investment in unquoted equity instruments				
BVM Finance Pvt Ltd	-	0.18	3	Net assets method was used to capture the present value of the expected future economic benefits that will flow to the entity due to the investments.
Sintex Oil and Gas Ltd	-	0.05	3	
Healwell International Ltd	2.25	3.00	3	
Zep Infratech Limited	0.01	0.01	3	
Investment in quoted equity instruments				Quoted bid prices in an active market
Bank of Baroda (formerly known as Dena Bank)	0.02	0.04	1	
Current investments				Quoted bid prices in an active market
Investments in Mutual funds	-	0.53	1	

* There were no transfers between Level 1 and Level 3 during the period.

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

42 Income taxes

The Company has decided not to opt new taxation scheme of Section 115BAA of the income tax Act 1961, Introduced by the Taxation Law (Amendment) ordinance 2019 effective from financial 2019-2020 in view of MAT Credit Availability, Accumulated Losses and Unabsorbed Depreciation.

a. Income taxes recognised in Statement of Profit and Loss (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	-	8.66
Short/(Excess) provision of tax for earlier years	(6.12)	(1.72)
Deferred tax		
In respect of the current year	(78.57)	10.27
Total income tax expense recognised in Statement of Profit and Loss	**(84.69)**	**17.21**

b. Tax reconciliation

The income tax expense for the year can be reconciled to the accounting profit as follows: (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before taxes	(1,334.67)	36.41
Enacted tax rate in India	34.944%	34.944%
Expected income tax expense at statutory tax rate	(466.39)	12.72
Effect of:		
(i) Tax effect on non-deductible expenses	46.37	4.88
(ii) Tax effect on deductible expenses	(0.90)	(0.14)
(iii) Reversal of MAT Credit	0.44	-
(iv) Others (Forex effect)	-	0.13
(v) Current year loss to be carried forward	341.91	-
(vi) (Short)/Excess Provision for tax of earlier years	(6.12)	(1.72)
(vii) Permanent difference in nature of Assets/Demerger effect	-	1.34
Income taxes recognised in the Statement of Profit and Loss	**(84.69)**	**17.21**

The tax rate used for the 2019-20 and 2018-19 reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax laws.

c. Income tax recognised in other comprehensive income (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		-
Remeasurement of defined benefit obligation	-	(0.60)
Total income tax recognised in other comprehensive income	**-**	**(0.60)**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to Statement of Profit and Loss	-	(0.60)
Items that will be reclassified to Statement of Profit and Loss	-	-
	-	**(0.60)**

In view of losses during the year, company has not recognised deferred tax on OCI Item.

d. Components of Deferred Tax (charge)/benefit for the year (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Depreciation and amortisation	138.52	262.44
(ii) Unabsorbed depreciation and business losses	(199.92)	(247.23)
(iii) Disallowances under Income Tax	1.34	0.68
(iv) Provision of bad and doubtful debts	(18.94)	-
(v) Others	-	2.42
(vi) MAT Credit Taken	0.44	(8.04)
Total deferred tax for the year *	**(78.57)**	**10.27**

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

e. Components of deferred tax assets and liabilities (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred tax liabilities		
(i) Difference between book and tax depreciation	968.62	830.10
(ii) Recognition of equity component of financial instruments (FCCBs) and others	-	8.38
Total Deferred Tax Liabilities (A)	**968.62**	**838.48**
(b) Deferred tax assets		
(i) Disallowances under Income Tax	4.90	6.24
(ii) Provision for doubtful debts & advances	19.01	0.07
(iii) Unabsorbed depreciation and business losses	663.26	463.34
(iv) Minimum Alternate Tax	281.45	281.89
Total Deferred Tax Assets (B)	**968.62**	**751.54**
Total (A-B)	**-**	**86.94**

f. The Company has following unused tax losses which arosen on incurrence of capital losses under the Income Tax Act, 1961 for which no deferred tax assets has been recognised in the balance sheet.

(₹ in crores)

Finacial Year	As at March 31, 2020	Expiry date
2011-12	3.56	31-3-2021
2013-14	55.75	31-3-2023
2015-16	0.23	31-3-2025
2016-17	55.02	31-3-2026

* Ind AS 12, 'Income Taxes" requires the company to determine probability of sufficient taxable income to utilize the deferred tax assets including MAT credit. Considering the factors described in Note 35 above, the company is of the view to recognize deferred tax assets of ₹ 78.57 Crores (i.e. to the extent of deferred tax liability outstanding) upto 31st March 2020.

43 In view of losses incurred, the Company has spent Nil (Previous Year ₹ 9.51 crores)towards schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013.

I. Gross amount required to be spent by the Company during the year ₹ 2.39 crores (Previous Year ₹ 7.04 crores)
II. Amount spent during the year on:

Particulars	(₹ in crores)
i) Construction/Acquisition of any asset	-
	-
ii) For purposes other than (i) above	-
	(9.51)
[figures in brackets pertain to 2018-19]	

44 Earnings per share (in ₹)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic Earnings per share	(21.04)	0.32
Total basic earnings per share	**(21.04)**	**0.32**
Diluted Earnings per share	(21.04)	0.32
Total diluted earnings per share	**(21.04)**	**0.32**

Basic earnings per share
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows: (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year attributable to owners of the Company (₹ in crores)	(1,249.98)	19.20
Earnings used in the calculation of basic earnings per share (₹ in crores)	**(1,249.98)**	**19.20**
Weighted average number of equity shares for the purposes of basic earnings per share	594,095,088	594,095,088
Earnings per share - Basic (₹)	(21.04)	0.32

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

Diluted earnings per share

The earnings used in calculation of diluted earnings per share are as follows. (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year attributable to owners of the Company (₹ in crores)	(1,249.98)	19.20
FCCB Interest Expenses (Net of Tax)	3.67	3.26
Earnings used in the calculation of diluted earnings per share (₹ in crores)	**(1,246.31)**	**22.46**
Weighted average number of equity shares for the purposes of basic earnings per share	603,974,932	603,974,932
Earnings per share- Antidulutive in nature	(20.64)	0.37
Earnings per share- - Diluted (₹)	(21.04)	0.32

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Weighted average number of equity shares used in the calculation of basic earnings per share	594,095,088	594,095,088
Shares deemed to be issued for no consideration in respect of:		
a. Employee options	-	-
b. Partly paid equity shares	-	-
c. Convertible bonds	9,879,844	9,879,844
Weighted average number of equity shares used in the calculation of Diluted EPS	**603,974,932**	**603,974,932**

Note: There are potential equity shares issued by the Company which are anti-dilutive in its nature. However, the company has defaulted in payment of Interest on Convertible bonds amounting to USD 0.24 Million for the period 25th May'19 to 25th Nov'19.

45 Ind As 115:Revenue from Contracts with Customers

The Company derives revenues primarily from sale of yarn.

The disagreegation of revenue from contracts with customers is as under: (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Domestic Sales	1,634.29	2,757.98
Export Sales	0.63	62.79
Total	**1,634.92**	**2,820.77**

Contract Liability: (Advance received from customers) (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Balance of Contract Liability	8.56	1.17
Revnue Recognised from the opening balance of contract liability	(8.56)	(1.17)
Current year Contract liability Carried Forward	0.94	8.56
Closing Balance of Contract Liability	**0.94**	**8.56**

46 In respect of overseas direct investment (ODI) made by the company in the earlier years in erstwhile wholly owned subsidiary, the Directorate of Enforcement, Department of Revenue, Ministry of Finance, Government of India has held that the end-use of such funds made by the then foreign subsidiary company is in contravention of the provisions of Section 4 of the Foreign Exchange Management Act (FEMA), 1999 and has, therefore, vide its Seizure Order dated 15th December, 2017 attached the immovable property of the company by way of certain unencumbered open plots of land admeasuring in aggregate about 1,27,851.50 sq. meters having aggregate cost of ₹ 3.69 Crores as per books of accounts of the company. During F.Y. 2018-19, a Notice was issued to the company where by the company was required to show-cause as to why adjudicating proceedings as contemplated under the relevant Rules should not be held against the company and the aforesaid land should not be confiscated to the Central Government in terms of Section 13(2) of FEMA,1999.The company strongly believes that it has not contravened provisions of FEMA as alleged in the seizure order and is, therefore, taking appropriate steps under the law. In the opinion of the management of the Company all the activities carried out by the then foreign subsidiary are in compliance with the ODI route under FEMA read with the relevant rules and regulations. The Company's management is confident of successful outcome from the proceedings. Therefore, no accounting adjustments have been made in the books of accounts of the Company in this regard.

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

47 Leases

The Company as lessee

Leasing arrangements

(₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Office premises	0.83	2.05
Total	**0.83**	**2.05**

As per the Standard, it is at the option of the company to apply IND AS 116 for the short-term leases (period of 12 months or less) & low value assets. Since all major lease agreements are for a period of 12 months and 1 of the long term lease is of low value, we have availed the exception. Lease Payments associated with short term \ low value leases shall be recognized as an expense on straight-line basis. Apart from this, there are no other assets taken on lease and hence IND AS 116 is not applicable.

48 Interest on borrowings is net of interest subsidy of ₹ 11.08 crores (Previous Year ₹ 235.80 crores)

49 Subsidies receivables (Note -17 , Other Current Assets) of ₹ 326.96 crores outstanding as at 31st March, 2020 includes interest subsidy of ₹ 210.96 crores receivable under Revised Restructured Technology Upgradation Fund Scheme (RRTUFS) announced by Ministry of Textiles, Government of India for various years from F.Y. 15-16 to F.Y. 19-20 upto May,2019. The amount of subsidy benefit recognized is reduced from the borrowing costs in the respective years. The management is persuing for recovery of this amount of subsidy and is hopeful of realization of this amount.

50 Commitments

(₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	75.19	110.00
Total	**75.19**	**110.00**

51 Contingent liabilities

(₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Company has imported machineries duty free under EPCG Scheme for which duty saved amount *	495.66	479.23
b. Disputed demand not acknowledged as debt against which the Company has preferred appeal	11.12	23.04
c. Corporate guarantees given to Banks for credit facilities granted by the banks to a subsidiary	0.19	56.29
d. Counter guarantees given to banks against guarantees issued by banks on behalf of group companies to various authorities	47.74	46.19
Total	**554.71**	**604.75**

* Against duty saved of ₹ 495.66 crore (Previous Year ₹ 479.23 crores) company has export obligation of ₹ 2,973.96 crores (Previous year ₹ 2,875.38 crore) for which company would be filing statement of export/redemption of EPCG License with DGFT in 2020-21.

(₹ in crores)

Disputed demand not acknowledged as debt against which the Company has preferred appeal	As at March 31, 2020	As at March 31, 2019
Income Tax *	7.08	19.00
Service tax*	4.04	4.04
Total	**11.12**	**23.04**

* The amount deposited with the authority in respect of above Income Tax and Service Tax demands of ₹ 7.08 crores (previous year ₹ 19.00 crores) and ₹ 4.04 crores (previous year ₹ 4.04 crores) respectively.

52 Confirmation of balances (other than related party) in respect of amounts due from trade receivables, capital advances given and loans and advances granted as well as for the amounts due to/payables to trade payables have not been obtained and/or received by the company and, therefore, these balances remained unconfirmed. The process of obtaining confirmation from these parties could not be undertaken due to Covid 19, and will be now initiated by the management of the company and adjustments, if any required on reconciliation of balances on receipt of confirmations, shall be made subsequently. However, the management believes that the effect of such adjustments/discrepancies shall not be material.

53 In respect of certain plots of land located at village Lunsapur, Tal. Jafrabad of Amreli District in the state of Gujarat admeasuring in aggregate 821084 Sq. Mtrs., where the company's plant for manufacture of yarn is located, during the year 18-19, the company entered into Agreement to Sell with the owner of the land for purchase of these plots for aggregate consideration of ₹ 436.81 crores, the possession of which has been obtained by the company

Notes to the Standalone Financial Statements
for the year ended March 31, 2020

subsequent to the end of FY 18-19. The entire consideration amount of ₹ 436.81 crores has already been paid by the company to an intermediary party who is also a party to this Agreement to Sell as confirming party. This includes certain plots of land having aggregate cost of ₹ 116.05 crores, which was already accounted for as purchase in the books of accounts of the company in F.Y. 2016-17. During F.Y.2018-19, ₹ 320.76 crores has been accounted as Purchases/Additions to Freehold Land in the books of accounts of the company. The final Sale Deed in respect of all these plots of land having aggregate consideration of ₹ 436.81 crores is yet to be executed and, therefore, the relevant expenses of stamp duty, registration fees, etc. shall be accounted for at the time of execution of documents and actual payment. Accordingly, Title Deeds in respect of all above lands have not been transferred in the name of the company.

54 Company's operations were impacted in the month of March 2020 due to shutdown of Lunsapur plant following nationwide lockdown by the Government of India in view of COVID-19, a pandemic caused by the novel Coronavirus. Company is monitoring the situation closely. From 12th April 2020, operations have commenced in a phased manner with enforcement of strict working restrictions. The ability of the company to continue as going concern is predicted upon the outcome of CIRP and scale up of operations. The scale up of operations may be different then targeted, considering substantial volatility in market and risk awareness, for which company will keep updated.

55 Advances recoverable in cash or kind in Note – 17, "Other Current Assets", include insurance claims aggregating to ₹ 24.77 crores comprising of claim of ₹ 23.09 crores of F.Y. 2016-17 and ₹ 1.68 crores of F.Y. 2018-19 are outstanding as on 31st March, 2020. The company has received provisional claim of ₹ 11.10 Crores in the month of Oct'19 against total claim of ₹ 12.78 Crores for the FY 18-19, while balance amount is expected to be received in FY 20-21. The insurance company has repudiated claim pertaining to FY 2016-17. Management of company is in the process of filing reply against the same and is hopeful of settling the claims in full. If required, company would also explore to take legal actions for recovery of outstanding claim.

56 The Company has defaulted in repayment of principal and interest payments. The period and amount of continuing default as on the Balance sheet date are as under:

(₹ in crores)

Name of Lender	Principal	Interest	Period of Continuing Default Start Month
Banks / NBFCs			
Punjab National Bank (Including Oriental Bank of Commerce & United Bank of India)	637.99	114.09	May-19
Punjab Sind Bank	165.04	18.81	May-19
Bank of India	202.55	43.29	May-19
Bank of Baroda (Including Dena Bank & Vijaya Bank)	233.04	92.26	May-19
Canara Bank (Including Syndicate Bank)	216.40	37.77	May-19
Central Bank of India	-	28.26	Jun-19
Union Bank of India (Including Andra Bank)	6.07	57.56	May-19
South Indian Bank	-	26.21	May-19
Karnataka Bank	-	9.55	May-19
IDBI Bank	25.00	6.89	Jun-19
State Bank of India	7.73	17.42	Aug-19
Axis Bank Ltd	82.41	5.85	Jun-19
Canbank Factors Limited	5.54	0.42	Jun-19
The Federal Bank Limited	13.28	0.91	Jun-19
UCO Bank Limited	0.42	0.03	Jun-19
Abu Dhabi Commercial Bank	-	5.17	Oct-19
DZ Bank AG	15.30	0.96	Oct-19
	1,610.76	**465.46**	
Financial Institutions			
Export Import Bank of India	84.67	45.44	Jun-19
	84.67	**45.44**	
Non-Convertible Debentures	**466.66**	**43.09**	Jun-19
Total	**2,162.09**	**554.00**	

57 During the year ended 31st March 2020, the company has not granted any options under the "Sintex ESOP 2018" to Eligible employees of the Company

58 Events Occuring After Balance Sheet Date

The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 25th June, 2020 there were no subsequent events to be recognized or reported that are not already disclosed.

Notes to the Standalone Financial Statements

for the year ended March 31, 2020

59 Contingent assets

The are no contingent assets recognised as at March 31, 2020.

60 Approval of financial statements

The financial statements were approved for issue by the board of directors on 25th June,2020.

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of **Sintex Industries Limited**

Report on the Audit of the Consolidated Financial Statements

Auditor's Opinion

We have audited the accompanying consolidated financial statements of **Sintex Industries Limite**d (hereinafter referred to as "the Parent") and its subsidiary company (the Parent and its subsidiaries together referred as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") 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, ("Ind As") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2020, the consolidated loss, consolidated total comprehensive losses, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 consolidated financial statements.

Emphasis of Matter

i. We draw attention to Note no. 38 to the consolidated financial statement, which states that the company's credit rating has been downgraded, which may substantially impair its ability to raise or generate funds to repay its obligations. As described in said Note, the company's ability to continue as going-concern depends on outcome of various legal cases pending at NCLT under Insolvency and Bankruptcy Code, 2016 and scale up of company's level of operations. All the current developments raise doubt on the ability of the company to continue as going concern and, therefore, it may be unable to realize its asset and discharge its liabilities in the normal course of business. The ability of the company to continue as going concern is dependent upon the factors described in the said Note, which are not within the company's control. The management has prepared the statement following going concern basis of accounting based on their assessment of the successful outcome of above referred actions and accordingly, no adjustments have been made to the carrying value of assets and liabilities, which may affect the results shown in the statement.

ii. We draw attention to Note no. 39 to the consolidated financial statement, with respect to impairment of assets. As described in the said note, the management has determined that there is no impairment of assets. This estimate and judgment of the management being inherently subjective and technical as well as considering the facts of the case, we have relied upon the management representation.

iii. We draw attention to Note no. 23 to the consolidated financial statement, with respect to recognition of deferred tax assets. As stated in the said Note, deferred tax asset has been recognized to the extent of deferred tax liabilities amounting to ₹ 78.57 Crores outstanding as on 31st March 2020.

iv. We draw attention to Note no. 58 to the consolidated financial statement, with respect to insurance claim receivable of ₹ 24.77 Crores lodged in the earlier years which are outstanding as on 31st March,2020 for settlement of which management of company is in the process of filing reply against the same and is hopeful of settling the claims in full. If required, company would also explore to take legal actions for recovery of outstanding claim.

v. We draw attention to Note no. 51 to the consolidated financial statement, with respect to realization of subsidies aggregating to ₹ 210.96 Crores. As per the information and explanations furnished to us, the management is taking necessary actions for realization of these subsidies and as stated in the said Note, management is perusing for recovery of this amount of subsidy.

vi. We draw attention Note no. 21 to the consolidated financial statement, with respect to continuing default in payment of dues in holding company, most of the lenders have sent notices / letters recalling their loans given and called upon the Company to pay entire dues and other liabilities. Hence in view of the said facts & considering the matter of prudence, whole of the long-term borrowing outstanding as on 31st March 2020 has been classified as current borrowings.

vii. We draw attention to Note no. 59 to the consolidated financial statement, with respect to petition filed by Axis Bank before NCLT, Ahmedabad for initiating Corporate Insolvency Resolution Process (CIRP) against BVM Overseas Limited, a wholly owned material subsidiary of the company. Outstanding with Axis bank has been paid in full post 31st March 2020 and process for vacation of petition is expected to be completed in ensuing quarter.

viii. We draw attention to Note no. 55 to the consolidated financial statement, with respect to appropriation of funds by HDFC Bank & RBL Bank amounting to ₹ 37.69 Crores & ₹ 21.00 Crores from the funds lying in current account of BVM Overseas Limited with the respective banks against the default in servicing various credit facilities by group companies. As informed, company is in process of taking up the matter with respective banks for recovery of the same. Hence amount of ₹ 58.69 Crores has been disclosed as receivable from respective banks in the financial statement.

ix. We draw attention to Note no. 57 to the consolidated financial statement, with respect to assessment of the recoverability of certain assets, the management has considered internal and external information upto the date of this report in respect of the current and estimated future global including Indian economic indicators consequent to the global health pandemic of Covid 19. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our Opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Impairment of assets of Textile Division of the Company The impairment of assets of Textile Division engaged in the manufacturing and processing of structured fabrics being identified as cash generating unit with carrying value of ₹ 1,367.78 Crores as on 31st March, 2020 is considered to be a risk area due to the size of the carrying amount as well as significant judgmental nature of key assumption which will be subject to management overheads. The carrying value of such assets at the risk of impairment and estimated recoverable amount is subjective due to inherent uncertainty involved in such estimation. See Note No. 39 of the consolidated financial statements.
Auditor's Response	The procedures performed included the following among others: • Understood the management processes, assumptions and controls with regard to testing, evaluating and identifying the impairment of aforesaid Textile Division of the company. • We assessed the appropriateness and judgments applied by the expert in the valuation report dated 31.03.2019 for determining recoverable amount of the land and building of the Textile Division, the recoverable amount of the land and building exceeds the carrying amount of the assets. Management now desirous to dispose off land and factory building of its Kalol plant after obtaining requisite approvals including from lenders, the proceeds of which shall be utilized for repayment of borrowings. • Management on the basis of their evaluation has expressed their certainty with regards to minimal difference between recoverable amount and carrying amount of Plant and Machinery. • Management of the company stated that on account of the high cost of operations and to create synergies of having operations at a single location, the management of the company is evaluating to shift manufacturing facilities of structured fabrics from its existing location at Kalol to its Yarn division at Vill. Lunsapur Tal. Jafrabad, Dist. Amreli. • Considering all relevant factors as stated above, the management has determined that there is no impairment loss which needs to be provided for
Key Audit Matter	The company is subject to number of significant litigations. Major risks identified by the company in that area relates to applications filed by certain lenders/creditors to NCTL under IBC for the recovery of outstanding dues. The amount of litigation may be significant and estimates of the amount of provisions or contingent liabilities are subject to significant management judgment. Due to complexity involved in these litigation matters, management's judgment regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key matter.
Auditor's Response	Our audit procedures included, among others: • Assessing the procedures implemented by the Company to identify and gather the risks it is exposed to. • Obtaining an understanding of the risk analyses performed by the Company. • Discussion with the management on the development in these litigations during the year ended March 31, 2020. • Enquiring from the company's legal counsel (internal) and study the responses as received from them. • Verification that the accounting and / or disclosure as the case may be in the Consolidated Financial Statements made by the Company is in accordance with the assessment of legal counsel / management. • Obtaining representation letter from the management on the assessment of these matters as per SA 580 (revised) – Written representations.

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

The Parent's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report and Annexure to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and statement of changes in equity of the Group including its subsidiary in accordance with Ind As and the accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient 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 control 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 holding 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 ability of the group and its subsidiary 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 consolidated 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 Group and its subsidiary to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated 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 consolidated 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.

Other Matters

We did not audit the financial statement / financial information of 1 subsidiary included in the consolidated financial statements, whose financial statement / financial information reflects total assets of ₹ **148.63 Crores** as at 31st March, 2020, total revenue of ₹ **607.64 Crores**, total Net Loss after tax of ₹ **6.43 Crores** and total Comprehensive loss of ₹ **6.43 Crores** for the year ended 31st March, 2020 respectively and net cash inflow of ₹ **0.47 Crores** for the year ended on 31st March, 2020 as considered in the statement. These financial statements have been audited / reviewed, by other auditor whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the report of the other auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements of the subsidiary incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

   (c) The Consolidated Balance Sheet, the Consolidated statement of Profit and Loss (including Other Comprehensive loss), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

   (e) On the basis of the written representations received from the directors of the Parent company as on March 31, 2020 taken on record by the Board of Directors of the Parent and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of these entities is disqualified as on March 31, 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 with reference to financial statement and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditor's report of the Parent Company and Subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for reasons stated therein.

   (g) With respect to the other matters 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 to the best of our information and according to the explanations given to us, the managerial remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

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

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as referred to in Note 53 to the consolidated financial statements.

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

      iii. There were no amounts which were required to be transferred to the investor's education and protection fund by the Company.

For, R Choudhary & Associates
Chartered Accountants
Firm Regn. No: 101928W

Place : Ahmedabad
Date : 25th June, 2020
UDIN : 20133388AAAAKA6921

K M Chaudhary
(Partner)
M. No.: 133388

ANNEXURE A - to the Independent Auditors' Report

of even date on the Consolidated Financial Statements of Sintex Industries Limited

(Referred to in Paragraph 1(f) under the Heading of "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of the Parent Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of **SINTEX INDUSTRIES LIMITED** (hereinafter referred to as "the Parent Company") and its subsidiary Companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its Subsidiary company which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India (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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial control with reference to financial statements of the Parent and its subsidiary companies, which are incorporated in India, 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditor of the subsidiary companies incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial with reference to financial statements of the Parent and its subsidiary companies incorporated in India.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor, as referred to in the Other Matters paragraph below, the Parent and its subsidiary Company which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements established by the respective companies, 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.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to consolidated / standalone financial statements of subsidiary company which are incorporated in India, is based solely on the corresponding reports of the auditor of such company.

Our opinion is not modified in respect of the above matter.

For, R Choudhary & Associates
Chartered Accountants
Firm Regn. No: 101928W

Place : Ahmedabad
Date : 25th June, 2020
UDIN : 20133388AAAAKA6921

K M Chaudhary
(Partner)
M. No.: 133388

Consolidated Balance Sheet as at March 31, 2020

(₹ in crores)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
I ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	8,011.14	8,302.44
(b) Capital work-in-progress		1,065.12	1,009.53
(c) Other Intangible assets	5	2.41	3.26
(d) Financial Assets			
(i) Investments	7	35.58	3.28
(ii) Loans	8	3.65	4.65
(e) Deferred tax assets	23	1.30	0.01
(f) Other non-current assets	9	384.01	349.20
(g) Non-current tax assets (net)	10	46.98	57.76
Total non-current assets		**9,550.19**	**9,730.13**
Current assets			
(a) Inventories	11	137.72	332.39
(b) Financial assets			
(i) Investments	12	-	0.53
(ii) Trade receivables	13	59.52	580.54
(iii) Cash and cash equivalents	14	18.39	80.26
(iv) Bank balances other than (iii) above	15	-	-
(v) Loans	16	62.08	108.71
(vi) Other Financial Assets	17	-	2.08
(c) Other current assets	18	717.83	834.41
Total current assets		**995.54**	**1,938.92**
TOTAL ASSETS		**10,545.73**	**11,669.05**
II EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the parent			
(a) Equity share capital	19	59.41	59.41
(b) Other equity	20	3,080.60	4,353.35
Total equity		**3,140.01**	**4,412.76**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	4,537.44
(b) Provisions	22	5.44	10.11
(c) Deferred tax liabilities (net)	23	-	87.32
Total non-current liabilities		**5.44**	**4,634.87**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	1,487.72	777.14
(ii) Trade payables			
(a) Total outstanding dues of Micro and Small Enterprise	25	4.08	10.65
(b) Total outstanding dues of creditors other than micro and small enterprise	25	144.87	345.00
(iii) Other financial liabilities	26	5,754.38	1,468.90
(b) Other current liabilities	27	3.96	15.96
(c) Provisions	28	5.27	3.77
Total current liabilities		**7,400.28**	**2,621.42**
Total liabilities		**7,405.72**	**7,256.29**
TOTAL EQUITY AND LIABILITIES		**10,545.73**	**11,669.05**

See accompanying notes 1 to 64 to the consolidated financial statements

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

(₹ in crores)

	Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
I	Revenue from operations	29	1,701.19	3,256.95
II	Other income	30	40.11	119.31
III	**Total Income (I+II)**		**1,741.30**	**3,376.26**
IV	**Expenses**			
	(a) Cost of materials consumed	31	1,097.22	1,769.31
	(b) Purchases of stock-in-trade	32	0.18	420.42
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	152.78	0.21
	(d) Employee benefits expense	34	157.66	178.71
	(e) Finance costs	35	747.58	225.65
	(f) Depreciation and amortisation expense	6	284.45	232.46
	(g) Other expenses	36	643.82	511.98
	Total expenses (IV)		**3,083.69**	**3,338.74**
V	**Profit before tax (III-IV)**		**(1,342.39)**	**37.52**
VI	**Tax expense:**			
	(a) Current tax		-	9.41
	(b) Short/(Excess) Provision for tax of earlier years		(6.12)	(3.29)
	(c) Deferred tax		(79.86)	9.88
			(85.98)	**16.00**
VII	**Profit after tax for the year (V-VI)**		**(1,256.41)**	**21.52**
	Other Comprehensive Income:			
	A (i) Items that will not be reclassified to Statement of Profit and Loss			
	(a) Equity instruments through other comprehensive income		(1.00)	(13.51)
	(b) Remeasurment of the net defined benefit plans		(1.19)	1.73
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss		-	(0.60)
	B (i) Items that will be reclassified to Statement of Profit and Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss		-	-
VIII	**Other Comprehensive Income for the year (A(i)+(ii)+B(i)+(ii))**		**(2.19)**	**(12.38)**
IX	**Total Comprehensive income for the year (VII+VIII)**		**(1,258.60)**	**9.14**
X	Earnings per share (of ₹ 10/- each):			
	Basic (In ₹)	37	(21.15)	0.36
	Diluted (In ₹)	37	(21.15)	0.36

See accompanying notes 1 to 64 to the consolidated financial statements

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

Consolidated Statement of Cash Flows for the year ended March 31, 2020

(₹ in crores)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash flow from operating activities**		
	Net profit before tax	(1,342.39)	37.52
	Adjustments for:		
	Unreaslised Foreign Loss	40.73	-
	Profit on sale of investments	-	(0.01)
	Excess provision of earlier year written back	-	(4.17)
	Provision for advances and subsidy, Bad Debts written off	228.61	-
	Interest income	(15.67)	(17.87)
	Depreciation and amortisation expenses	284.45	232.46
	Finance cost	747.58	225.65
	Loss/(gain) on sale/ impairment of property, plant and equipment	0.04	(0.38)
	Operating profit before working capital changes	**(56.67)**	**473.20**
	Adjustments for increase/decrease in Operating Assets/ Liabilities:		
	Trade receivables, loans and other assets	457.91	(218.32)
	Inventories	194.67	297.17
	Trade payables, other liabilities and provisions	(178.95)	536.17
	Cash generated from operations	**416.97**	**1,088.22**
	Direct taxes paid (Net)	16.91	(27.08)
	Net cash generated from operations activities (A)	**433.88**	**1,061.14**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment/addition to capital-work-in progress	(117.45)	(1,426.21)
	Sale of fixed assets	1.40	0.90
	(Purchase)/sale of current investments	0.53	0.11
	Interest received	16.47	22.96
	Bank deposits received/(placed)	-	107.05
	Net cash used in investing activities (B)	**(99.05)**	**(1,295.19)**
C	**Cash flow from financing activities**		
	Proceeds from long term borrowings	-	948.33
	Repayments from long term borrowings	(253.34)	(395.81)
	Net increase/(decrease) in working capital borrowings	62.09	(110.27)
	Finance cost	(205.35)	(228.17)
	Dividend paid	(0.11)	(7.11)
	Net cash genereted from financing activities (C)	**(396.71)**	**206.97**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(61.87)**	**(27.08)**
	Cash and cash equivalents at the beginning of the year	**80.26**	**107.34**
	Cash and cash equivalents at the end of the year	**18.39**	**80.26**

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".
2. Cash and cash equivalents comprises of

(₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Balance with banks	12.56	37.85
(b) Cash on hand	0.43	0.35
(c) Bank deposits with upto 3 months maturity	4.48	41.03
	17.47	**79.23**
Other bank balances		
Earmarked balances with banks		
- Unclaimed dividend accounts	0.92	1.03
	0.92	**1.03**
Cash and cash equivalents in Cash flow statement	**18.39**	**80.26**

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

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

A. Equity Share Capital (₹ in crores)

Particulars	Amount
Balance as at 1st April,2018	**59.41**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**59.41**
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**59.41**

B. Other equity (₹ in crores)

Particulars	Equity component of compound financial instruments (FCCBs)	Reserves and surplus				Item of Other Comprehensive income	Total
		Securities premium	Debenture redemption reserve	General reserve	Retained earnings	Equity instruments through other comprehensive income	
Balance as at April 01, 2018	**14.54**	**1,116.01**	**83.60**	**428.58**	**2,703.15**	**4.95**	**4,350.83**
Profit for the year	-	-	-	-	21.52		21.52
Other comprehensive income for the year, net of income tax -Equity Instruments through Other Comprehensive income						(13.51)	(13.51)
Remeasurement of net defined benefit plan	-	-	-	-	1.13	-	1.13
Total comprehensive income/ (loss) for the year	**-**	**-**	**-**	**-**	**22.65**	**(13.51)**	**9.14**
Transfer to reserve	-	-	27.43	-	(27.43)	-	-
Equity Component for Issue of FCCBs	-	-	-				-
Reserve on unrealised profit		-	-	-	0.54	-	0.54
Payment of dividends (including tax on dividend)	-	-	-	-	(7.16)	-	(7.16)
Balance as at March 31, 2019	**14.54**	**1,116.01**	**111.03**	**428.58**	**2,691.75**	**(8.56)**	**4,353.35**
Profit for the year					(1,256.41)		(1,256.41)
Other comprehensive income for the year, net of income tax -Equity Instruments through Other Comprehensive income						(1.00)	(1.00)
Remeasurement of net defined benefit plan					(1.19)	-	(1.19)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(1,257.60)**	**(1.00)**	**(1,258.60)**
Transfer to FCCBS	(14.54)	-	-	-	-	-	(14.54)
Reserve on unrealised profit	-	-	-	-	0.39	-	0.39
Balance as at March 31, 2020	**-**	**1,116.01**	**111.03**	**428.58**	**1,434.54**	**(9.56)**	**3,080.60**

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

Notes to the Consolidated Financial Statements

for the year ended March 31, 2020

1. General Information

Sintex Industries Limited ("the Company") is primarily engaged in the business of manufacture and sale of yarn.

Sintex Industries Limited is a public limited company incorporated in India on June 01, 1931 under the Companies Act and listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is at Kalol (North Gujarat) - 382 721, India. The Textile Division of the company is situated at Kalol (N.G) and its Yarn Division is situated at Village Lunsapur, Talu: Jafrabad, Dist: Amreli.

The consolidated financial statements comprise financial statements of the company and its subsidiary (collectively, the Group) for the year ended March 31, 2020. The principal activities of the subsidiary are described in note 41.

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company in their meeting held on June 25, 2020.

2. Basis of preparation of Consolidated Financial Statements

I. Basis of preparation and Compliance with Ind AS

These consolidated financial statements of the Company as at and for the year ended March 31, 2020 has been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Companies Act, 2013 (collectively called as Ind AS).

The consolidated financial statements are prepared in accordance with the principles and procedures laid down under the Accounting Standard notified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as disclosed in Note no. 41 combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gain / loss. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

II. Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiary company.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other event in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the respective entity prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the said entity, unless it is impracticable to do so.

The consolidated financial statements have been prepared on the following basis.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its power and involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are considered for consolidation when the Group obtains control over the subsidiary and are derecognized when the Group loses control of the subsidiary. Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains resulting on intra-group transactions are eliminated in full. Unrealized losses resulting from intra-group transactions are eliminated in arriving at the carrying amount of assets unless transaction provides an evidence of impairment of transferred asset.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the Statement of Profit and Loss and Consolidated Balance Sheet, separately from parent shareholders' equity. Profit and loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Groups interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

III. Basis of measurement

The consolidated financial statements have been prepared on a going concern basis, using historical cost convention and on an accrual method of accounting, except for the following assets and liabilities which have been measured at fair value, as required by relevant Ind AS.

1. Derivative financial instruments
2. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
3. Defined benefit plans

IV. Functional and presentation currency

The consolidated financial statements are prepared in Indian Rupees, which is the Group's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest Crore with two decimals.

V. Current and Non-current Classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification.

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An asset is classified as current if it satisfies any of the following criteria:

a) It is expected to be realized or intended to sold or consumed in the Group's normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is expected to be realized within twelve months after the reporting period, or
d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if it satisfies any of the following criteria:

a) it is expected to be settled in the Group's normal operating cycle,
b) it is held primarily for the purpose of trading,
c) it is due to be settled within twelve months after the reporting period
d) there is no unconditional right to defer the settlement of the liability beyond twelve months after the reporting period

The Group classifies all other liabilities as non-current. Current liabilities include current portion of non-current financial liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3. Significant Accounting policies

I. Revenue recognition

The Group derives revenues from sale and trading of yarn.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

The Group recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

The Group 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.

The Group satisfies a performance obligation and recognises revenue over time, if any one of the following criteria is met.

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Subsidy income

Income from Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

II. Leases

Transition

Effective April 01, 2019, Group has adopted Ind AS 116 "leases" and applied the standard to all applicable lease contracts existing on April 1, 2019 using the modified retrospective method with cumulative effect of initially applying the standard recognised on the date of initial application. Accordingly, Group has not restated comparative information and recognised right of use assets at an amount equal to lease liability.

The Group's lease asset primarily consists of leases for building & Land. The Group assesses whether a contract contains a lease, at inception of a 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Group as a lessee

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense.

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The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and finance cost portion of lease payments have been classified as financing cash flows.

Group as a lessor

At the inception of the lease, the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognizes lease payments received under operating leases as income over the lease term on a straight-line basis.

III. Foreign currency translations

The functional currency of the Company and its subsidiary has been determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

In preparing the consolidated financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

The Group has decided to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the standalone financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP i.e. exchange differences relating to long term foreign currency monetary items in so far as they relate to acquisition of depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset.

IV. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

V. Employee Benefits

<u>Retirement benefit costs and termination benefits</u>

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item employee benefits expenses. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

<u>Short-term and other long-term employee benefits</u>

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

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Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

VI. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets on non-depreciable assets the carrying amounts of such properties are presumed to be recovered entirely through sale.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as a deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VII. Property, plant and equipment

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition and hence regarded thereafter as historical cost.

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalized in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalized where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalized.

VIII. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated Amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and Amortisation method are reviewed at the

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end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

IX. Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided on buildings and plant & machinery on a straight-line method and in case of other tangible assets, on written-down value method over the estimated useful lives of the assets as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for plant and machinery, where life of the plant and machinery has been assessed as under based on technical advice, taking into account the nature of the plant and machinery, the estimated usage of the plant and machinery, the operating conditions of the plant and machinery, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The useful lives of plant and machinery has been estimated as 22 years and 30 years for different categories as technically determined.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Intangible assets are amortized over their estimated useful lives on straight line method. The amortization rates used for intangible assets are as under:

Class of assets	Years
Software	5 years

Freehold land is not depreciated. Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

X. Impairment of non-current assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

XI. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, traded goods and stores and spares are ascertained on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

XII. Financial Instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

A. Financial assets

a) Recognition and initial measurement

i) The Group initially recognizes loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group became a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

ii) In case of investments in subsidiary, joint ventures and associates the Company has chosen to measure its investments at deemed cost.

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iii) The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price prospectively to transactions entered into on or after the date of transition to Ind AS.

b) Classification

On initial recognition, a financial asset is classified as measured at; amortized cost, FVOCI or FVTPL

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR Amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 13. A debt instrument is classified as FVOCI only if it meets both the of the following conditions and is not recognised at FVTPL;

- The asset 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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

d) Impairment

<u>Impairment of financial assets</u>

In accordance with Ind AS 109, the group 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 amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Financial assets that are debt instruments and are measured as at FVTOCI
c) Lease receivables under Ind AS 116
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)

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e) Loan commitments which are not measured as at FVTPL
f) Financial guarantee contracts which are not measured as at FVTPL

The group follows 'simplified approach' for recognition of impairment loss allowance on:

I) Trade receivables or contract revenue receivables; and
II) All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes 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 group 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 recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

i) Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.
ii) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
iii) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

e) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the consolidated [statement of comprehensive income/Statement of Profit and Loss].

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between

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the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in Statement of Profit and Loss.

d) Derivative financial instruments

The Group has entered into forward exchange contracts or principal only swap which are in substance of forward exchange contracts to manage its exposure to foreign currency cash flows.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period.

e) Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortized Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

XIII. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

XIV. Earnings per share

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares and potential common shares from outstanding stock options.

XV. Segment Accounting

Identification of segments: Segments are identified in line with Ind AS - 108 "Operating Segments", taking into consideration the internal organization and management structure as well as the differential risk and returns of the segment.

The Group operates in Textile business which is the only reportable segment in accordance with the requirements of Ind-AS 108 "Operating Segments". These activities are mainly conducted only in one geographical segment viz, India. Therefore, the disclosure requirements under the Ind AS 108 "Operating Segments" are not applicable.

XVI. Government grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Grants of the State and Central Government which are intended to compensate a specified percentage of the interest on borrowings are netted off against the related interest expenditure on borrowings.

Government grants whose primary condition is that Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss in the period in which they become receivable.

XVII. Provisions, Contingent liabilities, Contingent assets and Commitments: General

Provisions are recognised only when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:
A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
A present obligation arising from the past events, when no reliable estimate is possible;
A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

XVIII. Cash flow statement

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Group are segregated.

Effective April 1, 2017, the Group adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

3.1 Critical Judgements in applying accounting policies and key sources of estimation uncertainty

(a) Critical judgements in applying accounting policies

In the course of applying the policies outlined in all notes under section 2 above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

(b) Key sources of estimation uncertainty

i) Useful lives and residual value of property, plant and equipment

Group reviews the useful lives and residual values of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, useful lives are reviewed annually using the best information available to the Management.

ii) Fair value measurements and valuation process

Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied. Other financial instruments are valued using a discounted cash flow method based on assumptions supported, where possible, by observable market prices or rates. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 44.

iii) Defined benefit plans

The cost of the defined benefit plans viz. gratuity, superannuation for the eligible employees of the Company are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate.

iv) Provision and contingent liability

On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

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4 Property, Plant and Equipment (₹ in crores)

Particulars	Freehold land	Buildings	Plant and machinery	Furniture, fixtures and Office equipments	Vehicles	Total
Cost or deemed cost						
At April 01, 2018	**471.75**	**927.77**	**4,783.78**	**24.55**	**16.33**	**6,224.18**
Additions	320.76	471.99	1,859.81	3.37	2.68	2,658.61
Disposals	-	(0.02)	(0.21)	-	(0.65)	(0.88)
At March 31, 2019	**792.51**	**1,399.74**	**6,643.38**	**27.92**	**18.36**	**8,881.91**
Additions	-	-	0.38	0.15	-	0.53
Disposals	(5.93)	-	(0.64)	-	(7.10)	(13.67)
At March 31, 2020	**786.58**	**1,399.74**	**6,643.12**	**28.07**	**11.26**	**8,868.77**
Accumulated depreciation and impairment						
At April 01, 2018	**-**	**28.83**	**303.69**	**6.74**	**9.06**	**348.32**
Charged to Statement of Profit and Loss during the year		33.51	189.95	5.45	2.61	231.52
Disposals		-	(0.13)	-	(0.24)	(0.37)
At March 31, 2019	**-**	**62.34**	**493.51**	**12.19**	**11.43**	**579.47**
Charged to Statement of Profit and Loss during the year		47.57	230.09	4.27	1.67	283.60
Disposals		-	(0.05)	-	(5.39)	(5.44)
At March 31, 2020	**-**	**109.91**	**723.55**	**16.46**	**7.71**	**857.63**
Net book value						
At March 31, 2019	**792.51**	**1,337.40**	**6,149.87**	**15.73**	**6.93**	**8,302.44**
As at March 31, 2020	**786.58**	**1,289.83**	**5,919.56**	**11.61**	**3.56**	**8,011.14**

4.1 Addition to Fixed Assets include Capitalisation of borrowing Cost pertaining to qualifying assets of Nil (Previous year ₹ 193.30 crore).

4.2 The detail of property, plant and equipments pledged against borrowings are presented in note 21 and 24.

5 Other intangible assets (₹ in crores)

Particulars	Computer software
Cost or deemed cost	
As at April 01, 2018	**4.85**
Additions	0.01
As at March 31, 2019	**4.86**
Additions	-
As at March 31, 2020	**4.86**
Accumulated amortisation and impairment	
At April 1, 2018	**0.66**
Charged to Statement of Profit and Loss during the year	0.94
As at March 31, 2019	**1.60**
Charged to Statement of Profit and Loss during the year	0.85
As at March 31, 2020	**2.45**
Net book value	
As at March 31, 2019	**3.26**
As at March 31, 2020	**2.41**

6 Depreciation and amortisation expense (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of Property, plant and equipment	283.60	231.52
Amortisation of intangible assets	0.85	0.94
Total depreciation and amortisation	**284.45**	**232.46**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2020

7 Non Current Investments (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments (At cost)		
I At fair value through other comprehensive income		
Investments in unquoted equity instruments - others:		
BVM Finance Private Limited		
17,38,000 (previous year 17,38,000) shares of ₹ 10 each fully paid	-	0.18
Sintex Oil & Gas Limited		
50,000 (previous year 50,000) shares of ₹ 10 each fully paid	-	0.05
Healwell International Limited		
9,00,000 (previous year 9,00,000) shares of ₹ 10 each fully paid	2.25	3.00
Zep Infratech Ltd (formerly known as Sixvents Power and Engineering Limited)		
13,300 (previous year NIL) shares of ₹ 10 each fully paid	0.01	0.01
Investment in quoted equity instruments - others:		
Bank of Baroda (formerly known as Dena Bank		
Nil (previous year 30,200) shares of ₹ 10 each fully paid	0.02	0.04
II Investment in Trust Securities		
AAVAS TRUST 2019		
33,30,22,460 (previous year Nil) units of ₹ 1 per unit	33.30	-
Total investments at fair value through other comprehensive income	**35.58**	**3.28**
Aggregate book value of quoted Investments	**0.02**	**0.04**
Aggregate market value of quoted investments	**0.02**	**0.04**
Aggregate carring value of unquoted Investments	**35.56**	**3.24**

8 Loans (non current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits and Earnest money deposits	3.65	4.65
Total	**3.65**	**4.65**

9 Other non-current assets (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Capital advance	379.97	345.16
(b) Service tax paid under protest	4.04	4.04
Total	**384.01**	**349.20**

10 Non-Current Tax Assets (Net) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Tax (Net of Provision for Taxation)	46.98	57.76
Total	**46.98**	**57.76**

11 Inventories (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Raw materials	42.64	83.00
(b) Work-in-progress	27.13	38.67
(c) Finished goods	45.71	113.72
(d) Stock-in-Trade	18.63	91.86
(e) Stores and spares	3.61	5.14
Total	**137.72**	**332.39**

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12 Investments (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Investments at fair value through statement of Profit and Loss		
Non-trade, Unquoted		
Mutual funds		
Nil (Previous Year 3,184) Principal Cash Management Fund-Regular Plan Growth, face value of ₹ 10	-	0.53
Total	**-**	**0.53**

13 Trade receivables * (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables,Unsecured, considered good	59.52	580.54
Trade Receivables, credit impaired	0.19	0.19
Less: Provision for trade receivables	(0.19)	(0.19)
Total	**59.52**	**580.54**

* Note

The average credit period on sales of good is 0 to 180 days. Credit Risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified.The concentration of credit risk is limited due to the fact that the customer base is large. One customer has a balance of more than 10% of the total balance of trade receivables.

14 Cash and Cash Equivalents (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(A) Cash and Cash Equivalents		
(a) Balance with banks	12.56	37.85
(b) Cash on hand	0.43	0.35
(c) Bank deposits with upto 3 months maturity	4.48	41.03
	17.47	**79.23**
(B) Other bank balances		
In earmarked accounts		
- Unclaimed dividend accounts	0.92	1.03
	0.92	1.03
Total	**18.39**	**80.26**

15 Bank Balances other than 14 above (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Other bank balances		
Bank deposits having maturity beyond 3 months	-	-
Total	**-**	**-**

16 Loans (Current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good unless otherwise stated		
(a) Security deposits & earnest money deposits	1.21	1.29
(b) Others loans		
Unsecured, considered good	60.87	107.42
Doubtful	54.20	-
Less: Provision for other doubtful loans and advances	(54.20)	-
	60.87	107.42
Total	**62.08**	**108.71**

Notes to the Consolidated Financial Statements

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17 Other Financial Assets (Current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Others	-	2.08
Total	**-**	**2.08**

18 Other current assets (Unsecured, considered good) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Export Incentive receivables	0.07	0.41
(b) Advance recoverable in cash or kind	337.74	302.20
(c) Prepaid expenses	5.64	12.86
(d) Balances with government authorities	47.33	77.11
(e) Subsidies receivables (Refer Note 51)	326.96	440.95
(f) Interest receivable	0.09	0.88
Total	**717.83**	**834.41**

19 Equity Share capital (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised		
65,00,00,000 (previous year 65,00,00,000) Equity Shares of ₹ 1 each	65.00	65.00
Total	**65.00**	**65.00**
Issued		
59,41,26,888 (previous year 59,41,26,888) Equity Shares of ₹ 1 each	59.41	59.41
Total	**59.41**	**59.41**
Subscribed and fully paid up		
59,40,95,088(previous year 59,40,95,088) Equity Shares of ₹ 1 each	59.41	59.41
Total	**59.41**	**59.41**

Notes:-

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Conversion of FCCB into equity shares during the year	Right issue during the year	Closing Balance
Equity Shares				
Year ended 31st March 2019				
- Number of shares	594,095,088	-	-	594,095,088
- Amount (₹ in Crore)	59.41	-	-	59.41
Year ended 31st March 2020				
- Number of shares	594,095,088	-	-	594,095,088
- Amount (₹ in Crore)	59.41	-	-	59.41

(ii) Terms/ Rights attached to equity shares.
The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity share is entitled to one vote per share.
In view of losses incurred by the Company, the Board of Directors has not recommended dividend for the year ended on 31st March'2020.

(iii) As at 31st March, 2020: 98,79,844 shares (previous year 98,79,844 shares) were reserved for issuance towards Foreign Currency Convertible Bonds (FCCB).

(iv) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Class of shares / Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
BVM Finance Private Limited	16,303,905	2.74%	78,103,905	13.15%
Kolon Investment Private Limited	5,877,110	0.99%	55,877,110	9.41%
Opel Securities Private Limited	4,223,452	0.71%	30,223,452	5.09%

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20 Other Equity

Refer Statement of Changes in Equity for detailed movement in Equity Balances

A. Summary of Other Equity Balances (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Securities premium	1,116.01	1,116.01
(b) Debenture redemption reserve	111.03	111.03
(c) General reserve	428.58	428.58
(d) Equity component of compound financial instruments (FCCBs)	-	14.54
(e) Equity Instrument through other comprehensive income	(9.56)	(8.56)
(f) Retained earnings	1,434.54	2,691.75
Total	**3,080.60**	**4,353.35**

B. Nature and purpose of reserves

(a) Securities Premium
Securities Premium is created due to premium on issue of shares.This reserve is utilised in accordance with the provisions of the Act.

(b) Debenture redemption reserve
This reserve has been created for redemption of debentures issued by the company in compliance of provisions of the Companies Act, 2013 amd rules framed there under.

(c) General Reserve
The general reserve is created from time to time by transfer of profits from retained earnings for appropriate purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to Statment of profit and loss.

(d) Equity instruments through other comprehensive income
The reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.

(e) Retained earnings
The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

21 Borrowings (non-current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured- at amortised cost		
(a) Debentures	-	414.66
(b) Term loans		
(i) from banks	-	3,432.04
(ii) from a financial institution	-	356.74
(iii) Foreign Currency Term loans from a bank	-	197.81
Unsecured-at amortised cost		
(a) Foreign currency convertible bonds (FCCB's)	-	67.55
(b) Term loan from a bank	-	68.64
Total	**-**	**4,537.44**

Note: For details of security, rate of interest and terms of repayment refer note 20 of Standalone Financial Statement.

22 Provisions (non-current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits:		
(i) Provision for compensated absences	2.03	4.26
(ii) Provision for gratuity	3.41	5.85
Total	**5.44**	**10.11**

Notes to the Consolidated Financial Statements

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23 Deferred tax liabilities (Net) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a)Deferred Tax Liability		
(i) Difference between book and tax depreciation	968.61	830.09
(ii) Recognistion of equity component of compounded financial instruments (FCCBs)	-	8.38
(iii) Related to unrealised profit on stock reserve	-	0.39
	968.61	**838.86**
Deferred Tax Asset		
(i) Disallowances under income tax	4.90	6.24
(ii) Provision for doubtful debts & advances	19.01	0.07
(iii) Unabsorbed depreciation	663.25	463.34
(iv) Minimum alternate tax	282.75	281.89
	969.91	**751.54**
Deferred Tax Liabilities (Net)	**-**	**87.32**
Deferred Tax Liabilities	**-**	**87.32**
Deferred Tax Assets	**1.30**	**0.01**

Ind AS 12, 'Income Taxes" requires the Holding Company to determine probability of sufficient taxable income to utilize the deferred tax assets including MAT credit. Considering the factors described in Note 38 below, the Holding Company is of the view to recognize deferred tax assets of ₹ 78.57 crores (i.e. to the extent of deferred tax liability outstanding) upto 31st March 2020.

24 Borrowings (current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Secured- at amortised cost- from Banks		
(i) Loans repayable on demand (refer note below)	1,210.30	734.68
(b) Unsecured-at amortised cost		
(i) from companies	277.42	42.46
Total	**1,487.72**	**777.14**

Note: For details of security refer note 23 of Standalone Financial Statement.

25 Trade payables (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of Micro and Small Enterprises	4.08	10.65
Total outstanding dues of creditors other than micro and small enterprise	144.87	345.00
Total	**148.95**	**355.65**

The average credit period on purchases of certain goods is 7 to 180 days. No interest is charged on the trade payables for the first 180 days from the date of invoice. Thereafter, the interest is payable at 18% per annum on the outstanding balance. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Dues payable to Micro and Small Enterprises: (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Principal amount remaining unpaid to any supplier as at the year end	4.08	10.65
Interest due on the above mention principal amount remaining unpaid to any supplier as at the year end	0	0.21
Amount of the interest paid by the Company in terms of Section 16	0	0
Amount of the interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act	0	0.21
Amount of interest accrued and remaing unpaid at the end of the accounting year	0	0.21

Notes to the Consolidated Financial Statements

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26 Other financial liabilities (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Current maturities of long-term debt	4,984.02	636.28
(b) Interest accrued on borrowings	574.20	31.96
(c) Investor's eductation and protection fund		
Unclaimed dividends	0.92	1.03
(d) Acceptances	112.16	760.65
(e) Other payables		
(i) Payables on purchase of fixed assets	82.54	38.24
(ii) Trade / security deposits received	0.54	0.74
Total	**5,754.38**	**1,468.90**

27 Other current liabilities (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Statutory remittances	2.47	6.44
(b) Advances from customers	1.49	9.52
Total	**3.96**	**15.96**

28 Provisions (Current) (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits:		
(i) Provision for compensated absences	4.30	0.68
(ii) Provision for gratuity	0.97	3.09
Total	**5.27**	**3.77**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2020

29 Revenue from operations (Refer Note 47) (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of products	1,714.93	3,284.56
Less: Commission towards sales	13.74	27.61
Total	**1,701.19**	**3,256.95**

30 Other income (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income earned on financial asset that are not designated at fair value through profit or loss (FVTPL)	15.67	17.87
(b) Net gain on sale / transfer of investments of current investments	-	0.01
(c) Net gain on foreign currency transactions and translation (other than considered as finance cost)	6.17	18.30
(d) Subsidies from government authorities	7.86	60.44
(e) Profit on sale of fixed assets (net)	-	0.38
(f) Excess provision of earlier year written back	-	4.17
(g) Miscellaneous income	10.41	18.14
Total	**40.11**	**119.31**

31 Cost of materials consumed (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock	83.00	378.48
Add: Purchases	1,056.86	1,473.83
Less: Closing stock	42.64	83.00
Cost of material consumed	**1,097.22**	**1,769.31**

32 Purchase of traded goods (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Yarn	0.18	420.42
Total	**0.18**	**420.42**

33 Changes in inventories of finished goods, Stock in Trade and work-in-progress (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year:		
(a) Finished goods	45.71	113.72
(b) Stock in Trade (Including stock in transit ₹ 17.04 crore P.Y. ₹ 85.81 crore)	18.63	91.86
(c) Work-in-progress	27.13	38.67
	91.47	244.25
Inventories at the beginning of the year:		
(a) Finished goods	113.72	100.04
(b) Stock in Trade (Including stock in transit ₹ 85.81 crore P.Y. ₹ 116.21 crore)	91.86	116.31
(c) Work-in-progress	38.67	28.11
	244.25	244.46
Net (increase) / decrease	**152.78**	**0.21**

34 Employee benefits expense (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Salaries and wages	144.96	159.66
(b) Contributions to provident and other funds	9.20	11.18
(c) Staff welfare expenses	3.50	7.87
Total	**157.66**	**178.71**

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35 Finance costs (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest expenses on borrowings (net of interest subsidy)	707.03	209.69
(b) Other borrowing cost	40.55	15.96
Total	**747.58**	**225.65**

36 Other expenses (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Consumption of stores and spares	38.45	87.53
(b) Power and fuel	183.56	238.70
(c) Rent including lease rentals	0.92	2.14
(d) Repairs and maintenance - Buildings	0.30	2.13
(e) Repairs and maintenance - Machinery	0.47	1.15
(f) Repairs and maintenance - Others	2.93	3.29
(g) Insurance	14.49	6.74
(h) Rates and taxes	1.80	1.45
(i) Travelling and conveyance	5.21	13.36
(j) Transport and freight charges	12.86	26.57
(k) Donations and contributions	1.02	0.24
(l) Expenditure on corporate social responsibility (Refer Note-46)	-	9.51
(m) Payments to auditors	0.30	0.56
(n) Provisons for doubtful advances and Subsidy	99.85	-
(o) Legal and professional charges	11.04	10.92
(p) Bad Debts written off	128.76	70.38
(q) Loss on sale of assets (Net)	0.04	-
(r) Forex Loss	40.73	-
(s) General expenses	101.09	37.31
Total	**643.82**	**511.98**

37 Earnings Per share (₹ per share)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic Earnings per share (₹)	(21.15)	0.36
Diluted Earnings per share (₹)	(21.15)	0.36

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year attributable to owners of the Company (₹ in crores)	(1,256.41)	21.52
Weighted average number of equity shares for the purposes of basic earnings per share	594,095,088	594,095,088
Earnings per share - Basic (₹)	(21.15)	0.36

Diluted earnings per share

The earnings used in calculation of diluted earnings per share are as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year attributable to owners of the Company (₹ in crores)	(1,256.41)	21.52
FCCB Interest Expenses (Net of Tax)	3.67	3.26
Earnings used in the calculation of diluted earnings per share (₹ in crores)	**(1,252.74)**	**24.78**
Weighted average number of equity shares for the purposes of basic earnings per share	603,974,932	603,974,932
Earnings per share- Antidulutive in nature	(20.74)	0.41
Earnings per share - Diluted (₹)	(21.15)	0.36

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The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Weighted average number of equity shares used in the calculation of basic earnings per share	594,095,088	594,095,088
Shares deemed to be issued for no consideration in respect of:		
a. Employee options	-	-
b. Partly paid equity shares	-	-
c. Convertible bonds	9,879,844	9,879,844
Weighted average number of equity shares used in the calculation of Diluted EPS	**603,974,932**	**603,974,932**

Note: There are potential equity shares issued by the Company which are anti-dilutive in its nature. However, the company has defaulted in payment of Interest on Convertible bonds amounting to USD 0.24 Million for the period 25th May'19 to 25th Nov'19.

38 The Holding company is undergoing substantial financial stress and severe liquidity constraints since last ten months coupled with changed industrial dynamics, time and cost overrun in completion of its projects, reduction in subsidies and incentive benefits with delay in disbursements, Covid related disruptions etc. which has resulted into reduction in capacity utilization of its plants and, therefore, steep fall in sales volume and incurring of losses. The company has defaulted in debt obligation of debentures aggregating to ₹ 466.67 crores for the period April'19 to March 20 apart from other credit facilities. Further, Company's inability to meet its obligation in relation to the payment of certain letters of credit which led to devolvement and consequent over utilization of the cash credit facilities availed by the Company for more than 30 days, delay in payment of certain term loan installments as well as interest thereof and in view of the same on 12th June,2019 the Company has suffered downgrades in its credit rating from "BWR A-Stable" to "BWR D-Stable". However, Company has made provision of interest for FY 2019-20.

The Holding company submitted a Comprehensive Resolution Plan to all the lenders involving the re-structuring of debt availed. The proposal was prepared in accordance with the requirement set out in the circular issued by the Reserve Bank of India No. RBI/2018-19/203.DBR.NO.BP.BC.45/21.04.048/2018-19 dated 7th June, 2019, which was not accepted in all lenders meeting held on 5th July, 2019. The Inter-Creditor Agreement (ICA) for a potential restructuring of the company's liabilities was signed on 6th July, 2019. The company submitted a revised Resolution Plan to lenders on 16th December, 2019, which was not accepted by the lenders due to higher provisioning requirement, post which petition has been filed by the financial creditors before the National Company Law Tribunal (NCLT), Ahmedabad under Section 7 of Insolvency and Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against the company. The petition has yet not got admitted. The ability of the company to continue as going-concern is predicated upon the outcome of CIRP and scale up of company level of operations post Covid 19. In view of the same, results have been prepared on the basis that the company is a going-concern.

39 On account of the high cost of operations and to create synergies of having operations at a single location, the management of the company is evaluating to shift manufacturing facilities of structured fabrics from its existing location at Kalol to its Yarn division at Vill. Lunsapur Tal. Jafrabad, Dist. Amreli. In view of this, the manufacturing operations of structured fabrics (except bleaching facility) at Kalol is discontinued effective from 1st July, 2019. The land and factory building of its Kalol plant will be disposed of after obtaining requisite approvals including from lenders, the proceeds of which shall be utilized for repayment of borrowings. The net realizable value of these assets held for disposal as estimated by the management is in excess of its carrying value as per books of accounts of the company. The management of the company has assessed whether any provision needs to be recognised on account of the impairment of assets in respect of property , plant and equipment of its Textile Division, which shall be shifted to and shall become an integral part of its Yarn division at Vill. Lunsapur and, therefore, Considering all relevant factors, the management has determined that there is no impairment loss which needs to be provided for.

40 Foreign Currency Convertible Bonds (FCCBs)

On May 25, 2016, the Holding Company issued USD 110 million Step Down Convertible Bonds due 2022 ("FCCBs"). The FCCBs bear interest (i) at the rate of 7% p.a from May 25, 2016 to May 25, 2018 and (ii) at the rate of 3.50% p.a from May 25, 2018 to May 25, 2022, payable semi-annually in arrear on the interest payment dates falling every year on 25 November and 25 May.

The FCCBs are convertible at any time on and after July 5, 2016 and up to the close of business on May 15, 2022 by holders of the FCCBs into fully paid equity shares with full voting rights of the Issuer each with a nominal value of ₹ 1 at the option of the holder, at an initial conversion price of ₹ 93.8125 per share with a fixed rate of exchange on conversion of ₹ 67.4463 = USD 1.00. The conversion price is subject to adjustment in certain circumstances and may be reset on November 25, 2018 and November 25, 2019 in accordance with the terms and conditions of the FCCBs.

Pursuant to the Composite Scheme of Arrangement approved by National Company Law Tribunal on 12th May,2017 on exercising option for conversion of the FCCBs, the FCCB holders shall receive one fully paid equity shares of ₹ 1 each with full voting rights of Sintex Plastics Technology Limited (SPTL) and furhter the repayment of FCCBs is guaranteed by SPTL. In case of payment of any outstanding sum to the outstanding FCCB holders by the SPTL, the company shall without any further act, instrument, deed, matter or things, make the paymet to SPTL as mutually decided by the company and SPTL

No FCCB's have been converted during the year .There are USD 13.5 Million FCCB's outstanding for convertion as on March 31, 2020. Further, company has defaulted in payment of interest amounting to USD 0.24 Million for the period 25th May,2019 to 25th November,2019.

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41 Subsidiaries

Details of Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31st March, 2020	As at 31st March, 2019
BVM Overseas Limited	Trading of Products	India	100%	100%

41.1 Disclosures mandated by Schedule III of Companies Act, 2013 by way of Additional Information (₹ in crores)

Name of entity in the Group	Share in Net Assets		Share in profit and Loss		Share in other comprehensive income		Share in Total comprehensive income	
Particulars	As % of consolidated net assets	Amount	As % of consolidated Profit	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Sintex Industries Limited	99.67	3,129.52	99.49	(1,249.98)	100.00	(2.19)	99.49	(1,252.17)
BVM Overseas Limited	0.33	10.49	0.51	(6.43)	-	-	0.51	(6.43)
Total	**100.00**	**3,140.01**	**100.00**	**(1,256.41)**	**100.00**	**(2.19)**	**100.00**	**(1,258.60)**

42 Related Party Transactions

a. Names of the related parties and description of relationship

Sr. No.	Nature of Relationship	Name of Related Parties
1	Key Management Personnel (KMP)	Shri Rahul A. Patel, Chairman & Managing Director Shri Amit D. Patel, Managing Director
2	Relatives of Key Management Personnel	Shri Dinesh B. Patel (Chairman) Upto 29th March,2019 Shri Arun P. Patel (Vice-chairman) Upto 29th March, 2019

Balances and transactions between the Company and its subsidiry, which is related party of the Company, have been eliminated on consolidation and are not disclosed in the note. Details of transactions between the Group and other related parties are disclosed below:

b.1 Transactions during the year with related parties*: (₹ in crores)

Sr. No.	Nature of Transactions	Nature of Relationship	
		Key Management Personnel & relatives thereof	Total
1	Managerial remuneration	-	-
		(1.87)	(1.87)
2	Sitting fees	-	-
		(0.06)	(0.06)

b.2 Balance as at March 31, 2020 * (₹ in crores)

Sr. No.	Nature of Transactions	Nature of Relationship	
		Key Management Personnel & relatives thereof	Total
1	Trade payable	6.00	6.00
		(6.00)	(6.00)

* Figures in brackets indicates figures of previous year.

b.3 Disclosure of Material Related Party Transactions during the year and Balance outstanding

1 Managerial Remuneration include remuneration to Shri Rahul A. Patel Nil (Previous Year ₹ 0.93 crores), Shri Amit D. Patel Nil (Previous Year ₹ 0.94 crores)

2 Sitting fees paid includes to Shri Dinesh B. Patel Nil (Previous Year ₹ 0.03 crores), Shri Arun P. Patel Nil (Previous Year ₹ 0.03 crores).

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43 Segment information

i. Products and services from which reportable segments derive their revenues.

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The directors have chose to organise the Group around difference in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Company operates in Textile business which is the only reportable segment in accordance with the requirement of Ind AS 108 "Operating Segments".

ii. Geographical information

Geographical revenue is allocated based on the location of the customers.

Group's all non-current assets are located in India (i.e. its country of domicile).

The Group's revenue from external customers by location of operations are detailed below: (₹ in crores)

Revenue from external customers	For the year ended March 31, 2020	For the year ended March 31, 2019
India (includes deemed export)	1,368.26	1,835.72
Asia (Other than India)	190.29	926.03
Europe	70.86	263.15
Others	71.78	232.05
Total	**1,701.19**	**3,256.95**

44 Financial instruments

1 Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt and total equity of the Group.

The Group is not subject to any externally imposed capital requirements.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows. (₹ in crores)

Particulars	As at March 31, 2020	As at March 31, 2019
Debt (i)	7,045.94	5,982.82
Less: Cash and bank balances (Refer note 14 and 15)	18.39	80.26
Net debt	**7,027.55**	**5,902.56**
Total equity	**3,140.01**	**4,412.76**
Net debt to equity ratio	**2.24**	**1.34**

(i) Debt is defined as long-term and short term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), as described in earlier notes (Refer note 21, 24 and 26).

Notes to the Consolidated Financial Statements

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2 Categories of financial instruments (₹ in crores)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair values	Carrying values	Fair values
Financial assets				
Measured at amortised cost				
Non-current investments	-	-	-	-
Loans	65.73	65.73	113.36	113.36
Trade receivables	59.52	59.52	580.54	580.54
Cash and cash equivalents	18.39	18.39	80.26	80.26
Bank balances other than cash and cash equivalents	-	-	-	-
Total financial assets carried at amortised cost (A)	**143.64**	**143.64**	**774.16**	**774.16**
Measured at fair value through profit and loss				
Current investments in mutual funds	-	-	0.53	0.53
Total financial assets at fair value through profit and loss (B)	**-**	**-**	**0.53**	**0.53**
Measured at fair value through other comprehensive income				
Non-current investments in equity instruments	35.58	35.58	3.28	3.28
Total financial assets at fair value through other comprehensive income (C)	**35.58**	**35.58**	**3.28**	**3.28**
Total financial assets (A+B+C)	**179.22**	**179.22**	**777.97**	**777.97**
Financial liabilities				
Measured at amortised cost				
Non-current liabilities				
Non-current borrowings *	-	-	4,537.44	4,565.79
Current liabilities				
Short-term borrowings	1,487.72	1,487.72	777.14	777.14
Trade payables	148.95	148.95	355.65	355.65
Other financial liabilities	5,754.38	5,754.38	1,468.90	1,468.90
Total financial liabilities measured at amortised cost	**7,391.05**	**7,391.05**	**7,139.13**	**7,167.48**
Total financial liabilities	**7,391.05**	**7,391.05**	**7,139.13**	**7,167.48**

* The fair value of Group fixed interest borrowing are determined by using Discounted Cash Flow Method.

3 Financial risk management objectives

The Group's Corporate finance department provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivatives for speculative purposes.

The Corporate Treasury function reports quarterly to the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

4 Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates due to foreign currency borrowings and variable interest loans. The Group has not been able to entered into derivative contracts to manage part of its foreign currency risk considering credit default. The Group does not enter into derivative contracts to manage risks related to anticipated sales and purchases.

5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts and currency options taken at the time of initiation of the booking by the management. Such decision is taken after considering the factors such as upside potential, cost of structure and the downside risks etc. Quarterly reports are submitted to Management Committee on the covered and open positions and MTM valuation.

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The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

(₹ in crores)

Particulars	As at March 31, 2020					As at March 31, 2019				
	USD	EURO	INR	Others	Total	USD	EURO	INR	Others	Total
Financial assets										
Non-current financial assets										
Investments	-	-	35.58	-	35.58	-	-	3.28	-	3.28
Loans	-	-	3.65	-	3.65	-	-	4.65	-	4.65
Total non-current financial assets (A)	**-**	**-**	**39.23**	**-**	**39.23**	**-**	**-**	**7.93**	**-**	**7.93**
Current financial assets										
Investments	-	-	-	-	-	-	-	0.53	-	0.53
Trade receivables	10.08	-	49.44	-	59.52	185.09	4.93	390.52	-	580.54
Cash and cash equivalents	-	-	18.39		18.39	2.17	-	78.09	-	80.26
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Loans	-	-	65.73	-	65.73	-	-	113.36	-	113.36
Other financial assets	-	-	-	-	-	-	-	2.08	-	2.08
Total current financial assets (B)	**10.08**	**-**	**133.56**	**-**	**143.64**	**187.26**	**4.93**	**584.58**	**-**	**776.77**
Total financial assets (C) = (A) + (B)	**10.08**	**-**	**172.79**	**-**	**182.87**	**187.26**	**4.93**	**592.51**	**-**	**784.70**
Financial liabilities										
Non current financial liabilities										
Borrowings	-	-	-	-	-	136.19	197.81	4,203.44	-	4,537.44
Total non-current financial liabilities (D)	**-**	**-**	**-**	**-**	**-**	**136.19**	**197.81**	**4,203.44**	**-**	**4,537.44**
Current financial liabilities										
Borrowings	-	-	1,487.72		1,487.72	-	-	777.14	-	777.14
Trade payables	0.36	0.04	148.55	-	148.95	7.15	41.51	306.26	0.73	355.65
Other financial liabilities	238.79	262.09	5,253.50	-	5,754.38	168.91	32.45	1,267.54	-	1,468.90
Total current financial liabilities (E)	**239.15**	**262.13**	**6,889.77**	**-**	**7,391.05**	**176.06**	**73.96**	**2,350.94**	**0.73**	**2,601.69**
Total financial liabilities (F)= (D) + (E)	**239.15**	**262.13**	**6,889.77**	**-**	**7,391.05**	**312.25**	**271.77**	**6,554.38**	**0.73**	**7,139.13**
Excess of financial liabilities over financial assets (F)-(C)	**229.07**	**262.13**	**6,716.98**	**-**	**7,208.18**	**124.99**	**266.84**	**5,961.87**	**0.73**	**6,354.43**
Net Exposure of foreign currency risk	**229.07**	**262.13**	**-**	**-**	**491.20**	**124.99**	**266.84**	**-**	**0.73**	**392.56**
Sensitivity impact on Net liabilities/ (assets) exposure at 10%	**22.91**	**26.21**	**-**	**-**	**49.12**	**12.50**	**26.68**	**-**	**0.07**	**39.25**

5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to USD and EURO currency.

The above table details the Group's sensitivity to a 10% increase and decrease in the INR against relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency risk denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A negative number below indicates an increase in profit/equity where the INR strengths 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit/equity and the balances below would be positive.

5.2 Forward foreign exchange contracts

The Group has not been able to enter into forward foreign exchange contracts to cover foreign currency payments and receipts considering credit default.

6 Interest rate risk management

The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group has exposure to interest rate risk, arising principally on changes in PLR and LIBOR rates. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible debentures and short term loans. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

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The table in 6.1 provides a break-up of the Group's fixed and floating rate borrowings:

6.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Group's fixed and floating rate borrowings and interest rate sensitivity analysis.

Particulars	As at March 31, 2020		As at March 31, 2019	
	Gross amount (₹ in crores)	Interest rate sensitivity @0.50% (₹ in crores)	Gross amount (₹ in crores)	Interest rate sensitivity @0.50% (₹ in crores)
Fixed loan	601.77	-	565.54	-
Variable loan	6,444.17	32.22	5,417.28	27.09
Total	**7,045.94**	**32.22**	**5,982.82**	**27.09**

7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group does not have significant credit risk exposure to any single counterparty. Concentration of credit risk related to the above mentioned Group did not exceed 10% of gross monetary assets at any time during the year. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year.

7.1 Collateral held as security and other credit enhancements

The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

8 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

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To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(₹ in crores)

Particulars	As at March 31, 2020				As at March 31, 2019			
	< 1year	1-5 years	> 5 years	Total	< 1year	1-5 years	> 5 years	Total
Financial assets								
Non-current								
Investments	-	35.58	-	35.58	-	-	3.28	3.28
Loans	-	3.65	-	3.65	-	4.65	-	4.65
Total non-current financial assets	**-**	**39.23**	**-**	**39.23**	**-**	**4.65**	**3.28**	**7.93**
Current								
Investments	-	-	-	-	0.53	-	-	0.53
Trade receivables	59.52	-	-	59.52	580.54	-	-	580.54
Cash and cash equivalents	18.39	-	-	18.39	80.26	-	-	80.26
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-
Loans	65.73	-	-	65.73	113.36	-	-	113.36
Other financial liabilities	-	-	-	-	2.08	-	-	2.08
Total current financial assets	**143.64**	**-**	**-**	**143.64**	**776.77**	**-**	**-**	**776.77**
Total financial assets	**143.64**	**39.23**	**-**	**182.87**	**776.77**	**4.65**	**3.28**	**784.70**
Financial liabilities								
Non-current								
Borrowings	-	-	-	-	-	3,009.93	1,527.51	4,537.44
Total non-current financial liabilities	**-**	**-**	**-**	**-**	**-**	**3,009.93**	**1,527.51**	**4,537.44**
Current								
Borrowings	1,487.72	-	-	1,487.72	777.14	-	-	777.14
Trade payables	148.95	-	-	148.95	355.65	-	-	355.65
Other financial liabilities	5,754.38	-	-	5,754.38	1,468.90	-	-	1,468.90
Total current financial liabilities	**7,391.05**	**-**	**-**	**7,391.05**	**2,601.69**	**-**	**-**	**2,601.69**
Total financial liabilities	**7,391.05**	**-**	**-**	**7,391.05**	**2,601.69**	**3,009.93**	**1,527.51**	**7,139.13**

9 Fair value measurements

This note provides information about how the Group determines fair values of various financial assets. Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

(₹ in crores)

Particulars	Fair values as at March 31, 2020	Fair values as at March 31, 2019	Level*	Valuation technique and key inputs
Financial assets				
Non-current investments				
Investment in unquoted equity instruments				
BVM Finance Pvt Ltd	-	0.18	3	Net assets method was used to capture the present value of the expected future economic benefits that will flow to the entity due to the investments.
Sintex Oil and Gas Ltd	-	0.05	3	
Healwell International Ltd	2.25	3.00	3	
Zep Infratech Pvt Limited	0.01	0.01	3	
Investment in quoted equity instruments				Quoted bid prices in an active market
Bank of Baroda (formerly known as Dena Bank)	0.02	0.04	1	
Current investments				Quoted bid prices in an active market
Investments in Mutual funds	-	0.53	1	

* There were no transfers between Level 1 and Level 3 during the period.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2020

45 Income taxes

The Group has decided not to opt new taxation scheme of Section 115BAA of the income tax Act 1961, Introduced by the Taxation Law (Amendment) ordinance 2019 effective from financial 2019-2020 in view of MAT Credit Availability, Accumulated Losses and Unabsorbed Depreciation.

a. Income taxes recognised in Statement of Profit and Loss (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	0.00	9.41
Excess/(Short) provision for tax of earlier years	(6.12)	(3.29)
Deferred tax		
In respect of the current year	(79.86)	9.88
Total income tax expense recognised in the current year	**(85.98)**	**16.00**

b. Tax Reconciliation

The income tax expense for the year can be reconciled to the accounting profit as follows: (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income before taxes	**(1,342.39)**	**37.52**
Enacted tax rate in India	34.944%	34.944%
Expected income tax expense at statutory tax rate	(469.08)	13.46
Effect of:		
Tax effect on non -deductible expenses	47.73	4.88
Tax effect on deductible expenses	(0.90)	(0.14)
Others	-	(0.25)
Reversal of MAT Credit recognised of earlier years	(0.87)	-
(Short)/Excess provisiion for tax of earlier years	(6.12)	(3.29)
Current year loss to be Carried Forward	343.27	-
Permanent difference in nature of Assets/Demerger effect	-	1.34
Income taxes recognised in the Statement of Profit and Loss	**(85.98)**	**16.00**

c. Income tax recognised in other comprehensive income (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
As at March 31, 2019	-	(0.60)
Total income tax recognised in other comprehensive income	**-**	**(0.60)**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to Statement of Profit and Loss	-	(0.60)
Items that will be reclassified to Statement of Profit and Loss	-	-
	-	**(0.60)**

In view of losses during the year, Group has not recognised deferred tax on OCI Item.

d. Components of Deferred Tax (charge)/benefit for the year (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation and amortisation	138.52	262.43
Unabsorbed depreciation	(199.91)	(247.23)
Disallowances under Income Tax	1.34	0.68
Provision of bad and doubtful debts	(18.94)	-
Others	-	(0.16)
MAT Credit Taken	(0.87)	(5.84)
Total deferred tax for the year *	**(79.86)**	**9.88**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2020

e. Components of deferred tax assets and liabilities (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Deferred tax liabilities		
(i) Difference between book and tax depreciation	968.61	830.09
(ii) Equity component of compounded financial instruments	-	8.38
(iii) Related to unrealised profit on stock reserve	-	0.39
	968.61	**838.86**
(b) Deferred tax assets		
(i) Disallowances under Income Tax	4.90	6.24
(ii) Provision for doubtful debts & advances	19.01	0.07
(iii) Unabsorbed depreciation and losses	663.25	463.34
(iv) Minimum Alternate Tax	282.75	281.89
	969.91	**751.54**
Deferred tax liabilities (net)	**-**	**87.32**
Deferred tax liabilities	**-**	**87.32**
Deferred tax assets	**1.30**	**0.01**

f. The Group has following unused tax losses which arosen on incurrence of capital losses under the Income Tax Act, 1961 for which no deferred tax assets has been recognised in the balance sheet.

(₹ in crores)

Financial year	As at March 31, 2020	Expiry date
2011-12	3.56	31-3-2021
2013-14	55.75	31-3-2023
2015-16	0.23	31-3-2025
2016-17	55.02	31-3-2026

* Ind AS 12, 'Income Taxes" requires the Holding Company to determine probability of sufficient taxable income to utilize the deferred tax assets including MAT credit. Considering the factors described in Note 38 above, the Holding Company is of the view to recognize deferred tax assets of ₹ 78.57 crores (i.e. to the extent of deferred tax liability outstanding) upto 31st March 2020.

46 In view of losses incurred, the Group has spent Nil (Previous Year ₹ 9.51 crores) towards schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013.

I. Gross amount required to be spent by the Group during the year ₹ 2.54 crores (Previous Year ₹ 7.04 crores)
II. Amount spent during the year on:

Particulars	(₹ in crores)
i) Construction/Acquisition of any asset	-
	-
ii) For purposes other than (i) above	-
	(9.51)
[Figures in brackets pertain to 2018-19]	

47 Ind As 115:Revenue from Contracts with Customers

The Group derives revenues from sale of yarn and structured fabrics

The disagreegation of revenue from contracts with customers is as under: (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Domestic Sales	1,368.26	1,835.72
Export Sales	332.93	1,421.23
Total	**1,701.19**	**3,256.95**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2020

Contract Liability: (Advances received from customers) (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Balance of Contract Liability	9.52	2.16
Revenue Recognised from the opening balance of contract liability	(9.52)	(2.16)
Current year Contract liability Carried Forward	1.49	9.52
Closing Balance of Contract Liability	**1.49**	**9.52**

48 In respect of overseas direct investment (ODI) made by the company in the earlier years in erstwhile wholly owned subsidiary, the Directorate of Enforcement, Department of Revenue, Ministry of Finance, Government of India has held that the end-use of such funds made by the then foreign subsidiary company is in contravention of the provisions of Section 4 of the Foreign Exchange Management Act (FEMA), 1999 and has, therefore, vide its Seizure Order dated 15th December, 2017 attached the immovable property of the company by way of certain unencumbered open plots of land admeasuring in aggregate about 1,27,851.50 sq. metres having aggregate cost of ₹ 3.69 Crores as per books of accounts of the company. During F.Y.2018-19, a Notice was issued to the company where by the company was required to show-cause as to why adjudicating proceedings as contemplated under the relevant Rules should not be held against the company and the aforesaid land should not be confiscated to the Central Government in terms of Section 13(2) of FEMA,1999.The company strongly believes that it has not contravened provisions of FEMA as alleged in the seizure order and is, therefore, taking appropriate steps under the law. In the opinion of the management of the Company all the activities carried out by the then foreign subsidiary are in compliance with the ODI route under FEMA read with the relevant rules and regulations. The Company's management is confident of successful outcome from the proceedings. Therefore, no accounting adjustments have been made in the books of accounts of the Company in this regard.

49 Leases

The Group as lessee

Leasing arrangements (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Office premises	0.92	2.14
Total	**0.92**	**2.14**

As per the Standard, it is at the option of the Group to apply IND AS 116 for the short-term leases (period of 12 months or less) & low value assets. Since all major lease agreements are for a period of 12 months and 1 of the long term lease is of low value, we have availed the exception. Lease Payments associated with short term \ low value leases shall be recognized as an expense on straight-line basis. Apart from this, there are no other assets taken on lease and hence IND AS 116 is not applicable.

50 Interest on borrowings is net of interest subsidy of ₹ 11.08 crores (previous year ₹ 235.80 crores).

51 Subsidies receivables (Note -18 , Other Current Assets) of ₹ 326.96 crores outstanding as at 31st March, 2020 includes interest subsidy of ₹ 210.96 crores receivable under Revised Restructured Technology Upgradation Fund Scheme (RRTUFS) announced by Ministry of Textiles, Government of India for various years from F.Y. 15-16 to F.Y. 19-20 upto May,2019. The amount of subsidy benefit recognized is reduced from the borrowing costs in the respective years. The management is persuing for recovery of this amount of subsidy and is hopeful of realization of this amount.

52 Commitments (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	75.19	110.00
Total	**75.19**	**110.00**

53 Contingent liabilities (₹ in crores)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a. Group has imported machineries duty free under EPCG Scheme for which duty saved amount*	495.66	479.23
b. Disputed demand not acknowledged as debt against which the Group has preferred appeal	11.12	23.04
c. Counter guarantees given to banks against guarantees issued by banks on behalf of group companies to various authorities	47.74	46.19
Total	**554.52**	**548.46**

* Against duty saved of ₹ 495.66 crores (Previous Year ₹ 479.23 crores) company has export obligation of ₹ 2,973.96 crores (Previous year ₹ 2,875.38 crores) for which Holding Company would be filing statement of export/redemption of EPCG License with DGFT in 2020-21.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2020

(₹ in crores)

Disputed demand not acknowledged as debt against which the Group has preferred appeal	As at March 31, 2020	As at March 31, 2019
Income Tax *	7.08	19.00
Service tax*	4.04	4.04
Total	**11.12**	**23.04**

* The amount deposited with the authority in respect of above Income Tax and Service Tax demands of ₹ 7.08 crores (previous year ₹ 19.00 crores) and ₹ 4.04 crores (previous year ₹ 4.04 crores) respectively.

54 Confirmation of balances in respect of amounts due from trade receivables, capital advances given and loans and advances granted as well as for the amounts due to/payables to trade payables have not been obtained and/or received by the Group and, therefore, these balances remained unconfirmed. The process of obtaining confirmation from these parties could not been undertaken due to Covid 19, and will be now initiated by the management of the Group and adjustments, if any required on reconciliation of balances on receipt of confirmations, shall be made subsequently. However, the management believes that the effect of such adjustments/discrepancies shall not be material.

55 In case of BVM Overseas Limited, HDFC Bank & RBL Bank has appropriated ₹ 37.69 Crores & ₹ 21.00 Crores from the funds lying in current account of the company with the respective banks against the default in servicing various credit facilities by group companies. Company is in process of taking up the matter with respective banks for recovery of the same. Hence amount of ₹ 58.69 Crores has been disclosed as receivable from respective banks in the financial statement.

56 In respect of certain plots of land located at village Lunsapur, Tal. Jafrabad of Amreli District in the state of Gujarat admeasuring in aggregate 821084 Sq. Mtrs., where the company's plant for manufacture of yarn is located, during the year 18-19, the company entered into Agreement to Sell with the owner of the land for purchase of these plots for aggregate consideration of ₹ 436.81 crores, the possession of which has been obtained by the company subsequent to the end of the year. The entire consideration amount of ₹ 436.81 crores has already been paid by the company to an intermediary party who is also a party to this Agreement to Sell as confirming party. This includes certain plots of land having aggregate cost of ₹ 116.05 crores, which was already accounted for as purchase in the books of accounts of the company in F.Y. 2016-17. During F.Y.2018-19, ₹ 320.76 crores has been accounted as Purchases/Additions to Freehold Land in the books of accounts of the company. The final Sale Deed in respect of all these plots of land having aggregate consideration of ₹ 436.81 crores is yet to be executed and, therefore, the relevant expenses of stamp duty, registration fees, etc. shall be accounted for at the time of execution of documents and actual payment. Accordingly, Title Deeds in respect of all above lands have not been transferred in the name of the company.

57 Group's operations were impacted in the month of March 2020 due to shutdown of Lunsapur plant following nationwide lockdown by the Government of India in view of COVID-19, a pandemic caused by the novel Coronavirus. Company is monitoring the situation closely. From 12th April 2020, operations have commenced in a phased manner with enforcement of strict working restrictions. The ability of the company to continue as going concern is predicted upon the outcome of CIRP and scale up of operations. The scale up of operations may be different then targeted, considering substantial volatility in market and risk awareness, for which company will keep updated.

58 Advances recoverable in cash or kind in Note – 18, "Other Current Assets", include insurance claims aggregating to ₹ 24.77 crores comprising of claim of ₹ 23.09 crores of F.Y. 2016-17 and ₹ 1.68 crores of F.Y. 2018-19 are outstanding as on 31st March, 2020. The holding company has received provisional claim of ₹ 11.10 Crores in the month of Oct'19 against total claim of ₹ 12.78 Crores for the FY 18-19, while balance amount is expected to be received in FY 20-21. The insurance company has repudiated claim pertaining to FY 2016 - 17. Management of holding company is in the process of filing reply against the same and is hopeful of settling the claims in full. If required, company would also explore to take legal actions for recovery of outstanding claim.

59 A Petition has been filed by a financial Creditor before the National Company Law Tribunal (NCLT), Ahmedabad under section 7 of Insolvency and Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process against BVM Overseas Limited, a wholly owned material subsidiary of the company. Outstanding with Axis bank has been paid in full post 31st March 2020 and process for vacation of petition is expected to be completed in ensuing quarter.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2020

60 The Group has defaulted in repayment of principal and interest payments. The period and amount of continuing default as on the Balance sheet date are as under:

(₹ in crores)

Name of Lenders	Principal	Interest	Period of Continuing Default Start Month
Banks / NBFCs			
Punjab National Bank (Including Oriental Bank of Commerce & United Bank of India)	637.99	114.09	May-19
Punjab Sind Bank	165.04	18.81	May-19
Bank of India	202.55	43.29	May-19
Bank of Baroda (Including Dena Bank & Vijaya Bank)	233.04	92.26	May-19
Canara Bank (Including Syndicate Bank)	216.40	37.77	May-19
Central Bank of India	-	28.26	Jun-19
Union Bank of India (Including Andra Bank)	6.07	57.56	May-19
South Indian Bank	-	26.21	May-19
Karnataka Bank	-	9.55	May-19
IDBI Bank	25.00	6.89	Jun-19
State Bank of India	7.73	17.42	Aug-19
Axis Bank Ltd	82.60	5.85	Jun-19
Canbank Factors Limited	5.54	0.42	Jun-19
The Federal Bank Limited	13.28	0.91	Jun-19
UCO Bank Limited	0.42	0.03	Jun-19
Abu Dhabi Commercial Bank	-	5.17	Oct-19
DZ Bank AG	15.30	0.96	Oct-19
	1,610.95	**465.46**	
Financial Institutions			
Export Import Bank of India	84.67	45.44	Jun-19
	84.67	**45.44**	
Non-Convertible Debentures	**466.66**	**43.09**	Jun-19
Total	**2,162.28**	**554.00**	

61 During the year ended 31st March 2020, the company has not granted any options under the "Sintex ESOP 2018" to Eligible employees of the Company.

62 Events Occuring After Balance Sheet Date

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 25th June, 2020 there were no subsequent events to be recognized or reported that are not already disclosed.

63 Contingent assets

The are no contingent assets recognised as at March 31, 2020.

64 Approval of financial statements

These consolidated financial statements were approved for issue by the board of directors on 25th June, 2020.

As per our report of even date attached

For R Choudhary & Associates
Chartered Accountants
Firm's Registration No: 101928W

K M Chaudhary
Partner
Membership No.: 133388

Place : Ahmedabad
Date : 25th June, 2020

For and on behalf of the Board of Directors
Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

Form AOC-1

(Pursuant to first porviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries (₹ in crore)

Sr. No.	Name of the Subsidiary Company	Reporting period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments other than Investments in subsidiaries	Turnover/ Total Income	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of Shareholding
1	BVM Overseas Limited	31/03/2020	INR	4.50	10.48	148.63	133.65	-	607.64	(7.73)	(1.29)	(6.44)	-	100.00%

Part "B" : Assocaites and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures (₹ in crore)

Sr. No.	Name of Assocaites/Joint Ventures	Latest audited Balance Sheet Date	Share of Associate / Joint Ventures held by the company on the year end			Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in crore)	Profit / Loss for the year			
			No.	Amount of Investment in Associate/Joint Venture (₹ in crore)	Extent of Holding %		Considered in Consolidation (₹ in crore)	Not Considered in Consolidation	Description of how there is significant influence	Reason why the associate / joint venture is not consolidated
NIL										

Note :
A. There is significant influence due to percentage(%) of Share Capital.

For and on behalf of the Board of Directors

Sintex Industries Limited
L17110GJ1931PLC000454

Rahul A. Patel
Chairman & Managing Director
DIN : 00171198

Amit D. Patel
Managing Director
DIN : 00171035

Hitesh Dihiye
CFO

Hitesh T. Mehta
Company Secretary

Place : Ahmedabad
Date : 25th June, 2020

SINTEX
INDUSTRIES

SINTEX INDUSTRIES LIMITED

Registered Office :
Kalol - 382 721, Dist: Gandhinagar, Gujarat, India.
Phone : +91-2764-253000
CIN : L17110GJ1931PLC000454

Investor Relationship Cell :
7th Floor, Abhijeet Building-I, Mithakhali Six Roads,
Ellisbridge, Ahmedabad - 380 006, Gujarat, India.
Phone : +91-6358855979 • +91-79-26420045
E-mail : share@sintex.co.in • Website : www.sintex.in

SINTEX INDUSTRIES LIMITED
Registered Office : Kalol - 382 721, Dist: Gandhinagar, Gujarat, India.
Phone : +91-2764-253000 • E-mail : share@sintex.co.in
Website : www.sintex.in • CIN : L17110GJ1931PLC000454

Notice

NOTICE IS HEREBY GIVEN THAT THE 89TH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF SINTEX INDUSTRIES LIMITED WILL BE HELD AS SCHEDULED BELOW THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS :

DATE : 28th September, 2020

DAY : Monday

TIME : 4.00 p.m. IST

to transact the following businesses:

ORDINARY BUSINESS:

(1) To receive, consider and adopt;

(a) the audited financial statement of the Company for the financial year ended March 31, 2020, the Reports of the Board of Directors and the Auditors of the Company thereon.

(b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and Reports of the Auditors of the Company thereon.

(2) To appoint a Director in place of Mr. Amit D. Patel, (DIN : 00171035), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

(3) Appointment of Mr. Mayank Devashrayee (DIN: 05313186) as an Independent Director of the Company.

To consider and if thought fit, to give your assent / dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Mayank Devashrayee (DIN: 05313186) , who was appointed as an Additional Independent Director w.e.f. 13th November, 2019 and who qualifies for being appointed as an Independent Director and in respect of whom, the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office till the conclusion of the 93rd Annual General Meeting of the Company to be held in the calendar year 2024."

"RESOLVED FURTHER THAT the Board of the Directors of the Company be and is hereby authorised to do all acts, deeds and things as necessary, proper and expedient to give effect to this Resolution."

(4) Appointment of Mr. George Samuel (DIN: 06952669) as an Independent Director of the Company.

To consider and if thought fit, to give your assent / dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. George Samuel (DIN: 06952669), who was appointed as an Additional Independent Director w.e.f. 13th November, 2019 and who qualifies for being appointed as an Independent Director and in respect of whom, the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office till the conclusion of the 93rd Annual General Meeting of the Company to be held in the calendar year 2024."

"RESOLVED FURTHER THAT the Board of the Directors of the Company be and is hereby authorised to do all acts, deeds and things as necessary, proper and expedient to give effect to this Resolution."

(5) Appointment of Mr. Pratit Patel (DIN: 07841812) as an Independent Director of the Company.

To consider and if thought fit, to give your assent / dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Pratit Patel (DIN: 07841812), who was appointed as an Additional Independent Director w.e.f. 13th November, 2019 and who qualifies for being appointed as an Independent Director and in respect of whom, the Company has received a notice in writing under Section 160 of the

Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office till the conclusion of the 93rd Annual General Meeting of the Company to be held in the calendar year 2024."

"RESOLVED FURTHER THAT the Board of the Directors of the Company be and is hereby authorised to do all acts, deeds and things as necessary, proper and expedient to give effect to this Resolution."

(6) Appointment of Mrs. Keerti L. Lachhwani (DIN: 08757712) as an Independent Director of the Company.

To consider and if thought fit, to give your assent / dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Keerti L. Lachhwani (DIN: 08757712), who was appointed as an Additional Independent Director w.e.f. 25th June, 2020 and who qualifies for being appointed as an Independent Director and in respect of whom, the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office till the conclusion of the 93rd Annual General Meeting of the Company to be held in the calendar year 2024."

"RESOLVED FURTHER THAT the Board of the Directors of the Company be and is hereby authorised to do all acts, deeds and things as necessary, proper and expedient to give effect to this Resolution."

(7) Appointment of Mr. Jayesh Khatsuria (DIN: 08626274) as Non-executive Director of the Company.

To consider and if thought fit, to give your assent / dissent to 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 ("the Act") and the relevant rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Jayesh Khatsuria (DIN: 08626274), who was appointed as an Additional Director w.e.f. 7th December, 2019 and who holds office as such upto the date of ensuing Annual General Meeting in terms of Section 161 of the Act and in respect of whom, the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation."

(8) To ratify Cost Auditors' Remuneration

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable GST payable to M/s. Shah Mehta & Co., Cost Accountants, Ahmedabad (FRN: 001024), as recommended by the Audit Committee and appointed as the Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for the Financial year 2020-21."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Registered Office:
Kalol - 382 721, Dist.: Gandhinagar, Gujarat, India
Date: 25th June, 2020

Hitesh T. Mehta
Company Secretary

Notes :

(a) In view of the situation arising due to Covid-19 global pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.

(b) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

(c) The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Chairperson of the Nomination and Remuneration Committee and Chairperson of the Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

(d) **Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice. 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.**

(e) 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.

(f) Information regarding appointment/re-appointment of Directors pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013 in respect of ordinary /special businesses to be transacted and/or at the Annual General Meeting in respect of business under item No. 2 to 8 is annexed hereto.

(g) The Register of Members and Share Transfer Books will remain closed from 22nd September, 2020 to 28th September, 2020 (both days inclusive).

(h) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the Members.

(i) All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting shall also be available electronically for inspection by the Members from the date of circulation of this Notice up to the date of the Meeting. Members seeking to inspect such documents can send an email to share@sintex.co.in.

(j) During the year, the Company has requested those members, whose dividends for previous financial years remaining unclaimed / unpaid, for claiming said dividend amount before transfer thereof to Investor Education and Protection Fund (IEPF).

Members are requested to note that dividends not encashed or claimed within seven years from the thirty days of declaration of dividend, will be transferred to the IEPF as per Section 124 of the Companies Act, 2013.

(k) Members who have neither received nor encashed their dividend warrant(s) for the financial years 2012-13 upto 2017- 18, are requested to write to Company's Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd., 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006, Gujarat mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).

(l) During Financial Year 2018-19, the Securities and Exchange Board of India ('SEBI') and the Ministry of Corporate Affairs ('MCA') has mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after 1st April, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required.

(m) **Registration of email ID and Bank Account details:**

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

(i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), E-mail ID to be registered, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ahmedabad@linkintime.co.in.

In order to comply with the requirement of Rule 18(3)(i) of the Companies (Management and Administration) Rules. 2014 and General Circular No. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the SEBI. The Company has given opportunity to all its members including those who are holding shares in physical to register/update their E-mail IDs to enable them to receive Notice of the General Meetings, Financial Statements, including Board's report, Auditor's report or other documents required to be attached therewith, and to enable them to cast their vote electronically, as may be required from time to time.

The shareholder may send a mail to our RTA. M/s. Link Intime India Private Limited at ahmedabad@linkintime.co.in by quoting required Details as mentioned in the Company's Communication to Shareholders filed with the Stock Exchanges on 4th July, 2020 and the same has been hosted on the Company's website www.sintex.in under the head Statutory Documents.

OR

(ii) In the case of Shares held in Demat mode:
The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

(n) The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's website www.sintex.in; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

(o) Instructions for e-voting and joining the Annual General Meeting are as follows:

- The voting period begins on 25th September, 2020 (10:00 a.m.) and will end on 27th September, 2020 (5:00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 21st September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a member as on cut-off date should treat this Notice for information purpose only.

- 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 helpdesk.evoting@cdslindia.com. However, if he / she is already registered with CSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

- The Members who have cast their vote by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again during the AGM.

- The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.

- The Board of Directors of the Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498) (Address: 1213,Ganesh Glory, Nr. Jagatpur Crossing, Besides Ganesh Genesis, Off S.G. Highway,Ahmedabad-382481) as the Scrutinizer to scrutinize the e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.

- The Members, whose names appear in the Register of Members / List of Beneficial Owners as on 21st September, 2020 (cut – off date), are entitled to vote on the resolutions set forth in this Notice.

PROCEDURE FOR E-VOTING:

The instructions for Members voting electronically are as under:

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on "Shareholders" module.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

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

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is communicated by mail indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for SINTEX INDUSTRIES LIMITED on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also use Mobile app - "m - Voting" for e voting. The m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

(xviii) Note for Non – Individual Shareholders and Custodians

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

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

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 request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at share@sintex.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at share@sintex.co.in. These queries will be replied to by the company suitably.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. Further the shareholders will be required to allow the camera for participation in the meeting as speaker.

7. The helpline number regarding any query / assistance for participation in the AGM through VC / OAVM are 022-23058738 or 022-23058543 or 022-23058542.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM 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 cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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.

(xix) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

(xx) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

(xxi) Since the AGM is being held through VC/OAVM, the route map is not annexed in this Notice

General Instructions:

I. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 21st September, 2020.

II. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first download the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall not later than 48 hours of conclusion of the Meeting submit a consolidated Scrutinizer's Report of the total votes cast in favour or against if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of voting forthwith.

III. The result of the voting on the Resolutions will be communicated to the Stock Exchanges on receipt of the Scrutinizers Report.

IV. The results declared will also be placed on the Company's website and communicated to the Stock Exchanges.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013.

SPECIAL BUSINESS:

Item No. 3

Mr. Mayank Devashrayee (DIN: 05313186) aged about 62 years was appointed as an Additional Director of the Company in the category of Non-executive Independent Director w.e.f 13th November, 2019.

Mr. Mayank Devashrayee is Company Secretary, LLB and Graduate in commerce by qualification and is having more than 37 years of experience in legal assignments. He is also having experience in company formation and compliances of Company law. He is a member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

The Nomination & Remuneration Committee at its meeting held on 25th June, 2020 after taking into account performance evaluation of Mr. Mayank Devashrayee during the term of his directorship and considering knowledge, skills, expertise and experience and the efforts and contribution made in decision making of the Board by him during his tenure as an Additional Independent Director has recommended to the Board that continued association of Mr. Mayank Devashrayee as an Independent Director would be in the best interest of the Company.

Based on performance evaluation & recommendation of Nomination & Remuneration Committee as above, the Board of Directors has proposed that Mr. Mayank Devashrayee be appointed as an Independent Director on the Board of the Company to hold office till the conclusion of the 93rd Annual General Meeting of the Company to be held in the calendar year 2024.

In the opinion of the Board, Mr. Mayank Devashrayee fulfils the conditions specified in Section 149 (6) read with Schedule IV to the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI(LODR) Regulations, 2015 for his appointment as an Independent Director of the Company and is independent of the management. Mr. Mayank Devashrayee is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Mayank Devashrayee for the office of Independent Director of the Company.

Details of Mr. Mayank Devashrayee are provided in the "Annexure" to the Notice pursuant to the provisions of (i) regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Mayank Devashrayee are concerned or interested, financially or otherwise, in the resolution set out at Item No.3.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Ordinary Resolution set out at Item No.3 of the Notice for approval by the Members.

Item No. 4

Mr. George Samuel (DIN: 06952669) aged about 67 years was appointed as an Additional Director of the Company in the category of Non-executive Independent Director w.e.f 13th November, 2019.

Mr. George Samuel is Insolvency Professional and Cost Accountant and also Graduate in Science by qualification, having more than 42 years of relevant experience. He is a member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Company.

The Nomination & Remuneration Committee at its meeting held on 25th June, 2020 after taking into account performance evaluation of Mr. George Samuel during the term of his directorship and considering knowledge, skills, expertise and experience and the efforts and contribution made in decision making of the Board by him during his tenure as an Additional Independent Director has recommended to the Board that continued association of Mr. George Samuel as an Independent Director would be in the best interest of the Company.

Based on performance evaluation & recommendation of Nomination & Remuneration Committee as above, the Board of Directors has proposed that Mr. George Samuel be appointed as an Independent Director on the Board of the Company to hold office till the conclusion of the 93rd Annual General Meeting of the Company to be held in the calendar year 2024.

In the opinion of the Board, Mr. George Samuel fulfils the conditions specified in Section 149 (6) read with Schedule IV to the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI(LODR) Regulations, 2015 for his appointment as an Independent Director of the Company and is independent of the management. Mr. George Samuel is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. George Samuel for the office of Independent Director of the Company.

Details of Mr. George Samuel are provided in the "Annexure" to the Notice pursuant to the provisions of (i) regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. George Samuel are concerned or interested, financially or otherwise, in the resolution set out at Item No.4.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the Members.

Item No. 5

Mr. Pratit Patel (DIN: 07841812) aged about 38 years was appointed as an Additional Director of the Company in the category of Non-executive Independent Director w.e.f 13th November, 2019.

Mr. Pratit Patel is MBA from Indian School of Business Management & Administration. He is a member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

The Nomination & Remuneration Committee at its meeting held on 25th June, 2020 after taking into account performance evaluation of Mr. Pratit Patel during the term of his directorship and considering knowledge, skills, expertise and experience and the efforts and contribution made in decision making of the Board by him during his tenure as an Additional Independent Director has recommended to the Board that continued association of Mr. Pratit Patel as an Independent Director would be in the best interest of the Company.

Based on performance evaluation & recommendation of Nomination & Remuneration Committee as above, the Board of Directors has proposed that Mr. Pratit Patel be appointed as an Independent Director on the Board of the Company to hold office till the conclusion of the 93rd Annual General Meeting of the Company to be held in the calendar year 2024.

In the opinion of the Board, Mr. Pratit Patel fulfils the conditions specified in Section 149 (6) read with Schedule IV to the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI(LODR) Regulations, 2015 for his appointment as an Independent Director of the Company and is independent of the management. Mr. Pratit Patel is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Pratit Patel for the office of Independent Director of the Company.

Details of Mr. Pratit Patel are provided in the “Annexure” to the Notice pursuant to the provisions of (i) regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Pratit Patel are concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the Members.

Item No. 6

Mrs. Keerti L. Lachhwani (DIN: 08757712) was appointed as an Additional Director of the Company in the category of Non-executive Independent Director w.e.f 25th June, 2020. Mrs. Keerti L. Lachhwani is Company Secretary by qualification and has more than 15 years of experience in secretarial compliances and legal matters.

Considering knowledge, skills, expertise and experience and Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Mrs. Keerti L. Lachhwani be appointed as an Independent Director on the Board of the Company to hold office till the conclusion of the 93rd Annual General Meeting of the Company to be held in the calendar year 2024.

In the opinion of the Board, Mrs. Keerti L. Lachhwani fulfils the conditions specified in Section 149 (6) read with Schedule IV to the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI(LODR) Regulations, 2015 for her appointment as an Independent Director of the Company and is independent of the management. Mrs. Keerti L. Lachhwani is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mrs. Keerti L. Lachhwani for the office of Independent Director of the Company.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Keerti L. Lachhwani as an Independent Director.

Details of Mrs. Keerti L. Lachhwani are provided in the “Annexure” to the Notice pursuant to the provisions of (i) regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mrs. Keerti L. Lachhwani are concerned or interested, financially or otherwise, in the resolution set out at Item No.6.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the Members.

Item No. 7

Mr. Jayesh Khatsuria (DIN: 08626274) was, appointed as Additional Non-Executive Director on the Board of Directors of the Company w.e.f. 7th December, 2019.

Mr. Jayesh Khatsuria holds Diploma in Electrical Engineering, Diploma in Mechanical Engineering and Diploma in Automobile Engineering. He has work experience of more than 10 years in Electrical & Mechanical Engineering Department, Operations & Management and Laisoning.

The Nomination & Remuneration Committee at its meeting held on 25th June, 2020 after taking into account performance evaluation of Mr. Jayesh Khatsuria during the term of his directorship and considering knowledge, skills, expertise and experience and the efforts and contribution made in decision making of the Board by him during his tenure as an Additional Director has recommended to the Board that continued association of Mr. Jayesh Khatsuria as Director would be in the best interest of the Company.

Based on performance evaluation & recommendation of Nomination & Remuneration Committee as above, the Board of Directors has proposed that Mr. Jayesh Khatsuria be appointed as a Non-executive Director on the Board of the Company who shall be liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013, appointment of Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Jayesh Khatsuria be appointed as the Non-Executive Director of the Company, who shall be liable to retire by rotation.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature Mr. Jayesh Khatsuria for the office of Director of the Company. Mr. Jayesh Khatsuria is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Details of Mr. Jayesh Khatsuria are provided in the "Annexure" to the Notice pursuant to the provisions of (i) regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Jayesh Khatsuria are concerned or interested, financially or otherwise, in the resolution set out at Item No.7.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Ordinary Resolution set out at Item No.7 of the Notice for approval by the Members.

Item No. 8

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Cost Auditors to conduct the audit of Textile & Yarn Division of the Company for the financial year ending March 31, 2021 as per the following details

Sr. No.	Name of the Cost Auditor	Segment of the Company	Audit fees
1.	M/s. Shah Mehta & Co. (FRN : 001024)	Textile & Yarn Division	Rs. 1,50,000/-

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

By Order of the Board of Directors

Registered Office:
Kalol - 382 721, Dist.: Gandhinagar, Gujarat, India
Date: 25th June, 2020

Hitesh T. Mehta
Company Secretary

Details of Directors seeking appointment / reappointment at the ensuing Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standards-2 issued by the Institute of Company Secretaries of India.

Name of the Director	**Mr. Amit D. Patel**
Director Identification Number (DIN)	00171035
Date of Birth	29/01/1961
Date of Appointment	21/10/1993
Expertise in specific functional Area and experience	Industrialist with rich business experience in general
Qualification	B. Com., MT (USA)
Terms and conditions of appointment or reappointment along with details of remuneration sought to be paid	As per the resolution at item no. 2 of the Notice, convening this meeting
Remuneration last drawn (including sitting fees, if any)	Refer to report on Corporate Governance
Directorship in other Companies as on 31st March, 2020	1. Sintex Plastics Technology Limited 2. Sintex-BAPL Limited 3. Sintex Prefab and Infra Limited 4. BVM Overseas Limited
Membership of Committees in other Public Limited Companies	1. Sintex Plastics Technology Limited • Audit Committee-Member • Stakeholder Relationship Committee-Member • Corporate Social Responsibility (CSR) Committee-Member 2. Sintex Prefab and Infra Limited • Audit Committee-Chairperson • Corporate Social Responsibility (CSR) Committee-Chairperson 3. Sintex-BAPL Limited • Audit Committee-Chairperson • Corporate Social Responsibility (CSR) Committee-Chairperson • Nomination and Remuneration Committee- Member 4. BVM Overseas Limited • Corporate Social Responsibility (CSR) Committee - Member
No. of Shares held in the Company as on 31st March, 2020 (Face Value ₹ 1/- per share)	3,98,425 Equity Shares
Relationship between Directors inter se and Key Managerial Personnel	Not related to any Director/Key Managerial Personnel
Number of meetings of the Board attended during the Financial Year 2019-20	Refer to report on Corporate Governance

Name of the Director	**Mr. Mayank Devashrayee**	**Mr. George Samuel**	**Mr. Pratit Patel**	**Mrs. Keerti L. Lachhwani**	**Mr. Jayesh Khatsuria**
Director Identification Number (DIN)	05313186	06952669	07841812	08757712	08626274
Date of Birth	03/07/1957	04/09/1952	22/03/1981	11/01/1979	01/06/1964
Date of Appointment	13/11/2019	13/11/2019	13/11/2019	25/06/2020	07/12/2019
Expertise in specific functional Area and experience	Legal assignments, Company formation and Compliances of Company Law	Insolvency Professional, Cost Accountant	Business Management & Administration	Secretarial compliances and Legal Matters	Electrical & Mechanical Engineering, Operations & Management
Qualification	Company Secretary, LLB and Graduate in commerce	Cost Accountant, Graduate in Science	Master in Business Administration	Company Secretary	Diploma in Electrical Engineering, Diploma in Mechanical Engineering and Diploma in Automobile Engineering
Terms and conditions of appointment or reappointment along with details of remuneration sought to be paid	As per the resolution at item No. 3 of the Notice, convening this meeting	As per the resolution at item No. 4 of the Notice, convening this meeting	As per the resolution at item No. 5 of the Notice, convening this meeting	As per the resolution at item No. 6 of the Notice, convening this meeting	As per the resolution at item No. 7 of the Notice, convening this meeting
Remuneration last drawn (including sitting fees, if any)	Refer to report on Corporate Governance				
Directorship in other Companies as on 31st March, 2020	--	--	--	--	Zep Infratech Limited
Membership of Committees in other Public Limited Companies	--	--	--	--	--
No. of Shares held in the Company as on 31st March, 2020 (Face Value ₹ 1/- per share)	Nil	Nil	Nil	Nil	Nil
Relationship between Directors interse and Key Managerial Personnel	Not related to any Director/Key Managerial Personnel				
Number of meetings of the Board attended during the Financial Year 2019-20	Refer to report on Corporate Governance				

Note :