

COMSYN/BSE/2021-22

Date: 07<sup>th</sup> September, 2021

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To,  
The General Manager,  
DCS-CRD  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street Mumbai- 400001(MH)

BSE Scrip ID: COMSYN      BSE Scrip Code: 539986

**Sub: Submission of 37<sup>th</sup> Annual Report along with the Notice of Annual General Meeting to be held on 30<sup>th</sup> September, 2021 through Video Conferencing (VC)/ Other Audio Visual Means (OVAM) at 2:00 P.M. pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015.**

Dear Sir/Ma'am,

Pursuant to provisions of regulation 34(1) of the SEBI (LODR) Regulations, 2015 related submission of 37<sup>th</sup> Annual Report along with Notice of Annual General Meeting to be held on Thursday, 30<sup>th</sup> September, 2021 at the Registered Office of the Company at 2.00 P.M through Video Conferencing or Other Audio Visual Means (VC/OAVM).

We are pleased to submit the 37<sup>th</sup> Annual Report for the year 2020-21 of the Company containing the Balance Sheet as at 31<sup>st</sup> March, 2021, Statement of Changes in Equity and Profit and Loss and Cash Flow for the year ended 31<sup>st</sup> March, 2021 and the Boards' Report along with Corporate Governance Report and the Auditors' Report on that date and its annexures.

Further, we would like to intimate that, the company will commence dispatch of its Annual Report on 8<sup>th</sup> September, 2021.

The abovementioned documents are available on the Company's website at [www.comsyn.com](http://www.comsyn.com).

You are requested to please take on record the above said document of the Company for your reference and further needful.

Thanking You,  
Yours Faithfully,  
For, **COMMERCIAL SYN BAGS LIMITED**

  
**CS SANDEEP PATEL**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER**



**Commercial Syn Bags Limited**

CIN : L25202MP1984PLC002669

Registered Office : Commercial House, 3-4, Jaora Compound, M.Y.H. Road, INDORE - 452 001, M.P. INDIA

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# T-E-A-M-W-O-R-K

**37<sup>TH</sup> ANNUAL  
REPORT  
2020-21**

**COMSYN**

**COMMERCIAL SYN BAGS LIMITED**

*“Weaving strength thread by thread for better world”*

# CHAIRMAN'S MESSAGE

Dear Shareholders,

A year ago, we witnessed an unprecedented economic and health crisis, and I gave you a rather ambivalent outlook on our business growth. Though, the first two months of the fiscal year were particularly difficult, things started picking up with the revival of economic activity. I am delighted to inform you that during the year gone by we have recorded the highest ever revenue and profitability in the history of our company's existence.

We exhibited some excellent numbers during this year, achieving Rs. 21389.10 Lakhs of Revenue from Operations, marking a 12% growth compared to Rs. 19097.23 Lakhs in FY 2020 (on standalone basis). In addition, our profit after tax increases by 2.2% from Rs. 1142.26 Lakhs to Rs. 1208.58 Lakhs in the current fiscal year (on standalone basis). The export sales continue to contribute more than 70% of total sales from manufacturing segment and Company's customer base is spread in all the continents except Antarctica.

Like every other organisation, our priority was to ensure the safety and well-being of our people. We set up an internal helpline to extend support to the affected team members and their families. We have organised free vaccination camp for all of our team members. We ensured that our people are duly vaccinated against the virus we extended support outside our organisation, to the communities as well. We provided food to the needy and also arranged to deliver PPE kits and masks to healthcare workers. We will continue to help wherever we can and stand with the world in the fight against this pandemic.

The Company has commenced the commercial operation of Unit – II on 28<sup>th</sup> September, 2020 with the installation of Multifilament Plant, Lamination Plants and Melt Blown Non-Woven Fabric Production Line. With this expansion the production capacity (all units) has been increased from 17000 MT to 20630 MT p.a. Further, the operation of Wholly Owned Subsidiary Comsyn India Private Limited had also commenced w.e.f. 19<sup>th</sup> March, 2021 with the capacity of 3100 MT p.a. making the aggregate annual capacity of 23730 MT. We are hopeful to announce the details of upcoming project on newly allotted land from MPIDC, Indore in this financial year.

Your directors are pleased to recommend a Final Dividend of 20% i.e. Rs. 2.00 per equity share of face value of Rs. 10 each for financial year 2020-2021, subject to approval of shareholders, involving an outflow of Rs. 2.36 Crores.

Your directors are pleased to inform that, the Board of directors at their meeting held on 4<sup>th</sup> Sept., 2021 has approved the matter related to Preferential issue of 15,00,000 Warrants of Rs. 130/- convertible into 15,00,000 equity shares of Rs. 10/- each issued at a premium of Rs. 120/- per share to the promoter and its group and to non-promoters selected investors which is subject to approval of members in the ensuing Annual General Meeting by way of Special Resolution and approvals as may be required from the BSE Ltd and other concerning authorities as may be applicable.

Your Company always focuses on operational efficiency and reduction in cost by adoption of renewable energy sources. As a measure of green initiative, your company has installed a solar power generation plant and roof top solar plant. During the year under review 18.61 Lakhs units of Electricity were generated through 1.0 MW (1.2 MW peak (p) Solar Power Generating System at Ujaas Solar Park, Sitamau (MP) and used as captive consumption at Company's manufacturing units at Pithampur and 2.06 Lakhs unit were generated from the installed roof top solar plant at Unit – II.

During the year under review your Company has achieved turnover of 39188.80 MT vis a vis 39270.25 MT in financial year 2019-2020 under trading operations as DCA cum CS of ONGC Petro additions Limited (OPaL), and strengthened its presence in domestic market.

Before I conclude, I take this opportunity to thank the Board for effectively steering the Company in these unprecedented times. I am grateful to the leadership team and our employees for their relentless efforts and contributions towards upholding business continuity and enabling growth. To our stakeholders including our partners, suppliers, customers, consumers, influencers, bankers, government authorities and to you, our shareholders, I express my gratitude for reposing your faith in us. Let us together make a difference and scale new heights of progress in the impending year.

*With best wishes,  
Sincerely,*

**Anil Choudhary**  
Chairman & Managing Director

## CORPORATE INFORMATION

### *Board of Directors*

Name	Designation
Shri Anil Choudhary	Chairman & Managing Director
Smt Ranjana Choudhary	Whole-time Director
Shri Virendra Singh Pamecha	Whole-time Director
Shri Hitesh Mehta	Independent Director
Shri Milind Mahajan	Independent Director
Shri Chintan Pushpraj Singhvi	Independent Director (Resigned w.e.f. 27th November, 2020)
Shri Vijay Kumar Bansal	Additional and Independent Director (Appointed w.e.f. 14th February, 2021)

### *Other Key Managerial Personnel*

Shri Ravindra Choudhary	Chief Executive Officer
Shri Abhishek Jain	Chief Financial Officer
Shri Sandeep Patel	Company Secretary & Compliance Officer
Shri Pramal Choudhary	Chief Operating Officer

### *Committees of the Board*

#### *Audit Committee*

Name	Status	Position in the Committee
Shri Hitesh Mehta	Independent Director	Chairman
Shri Milind Mahajan	Independent Director	Member
Shri Virendra Singh Pamecha	Whole-time Director	Member

#### *Stakeholders' Relationship Committee*

Name	Status	Position in the Committee
Shri Milind Mahajan	Independent Director	Chairman
Shri Hitesh Mehta	Independent Director	Member
Shri Anil Choudhary	Chairman and Managing Director	Member

#### *Nomination and Remuneration Committee*

Name	Status	Position in the Committee
Shri Hitesh Mehta	Independent Director	Chairman
Shri Milind Mahajan	Independent Director	Member
Shri Vijay Kumar Bansal	Additional and Independent Director	Member (w.e.f. 14th February, 2021)
Shri Chintan Pushpraj Singhvi	Independent Director	Member (Upto 27th November, 2020)

#### *Corporate Social Responsibility Committee*

Name	Status	Position in the Committee
Shri Anil Choudhary	Chairman and Managing Director	Chairman
Smt Ranjana Choudhary	Whole-time Director	Member
Shri Hitesh Mehta	Independent Director	Member

#### *Statutory Auditor:*

M/s Avinash Agrawal & Co., Chartered Accountants  
33, Ravi Nagar, Shrinagar Ext., Indore (M.P.) - 452018

#### *Secretarial Auditor:*

M/s Ishan Jain & Co., Company Secretaries  
401- 402 Silver Ark Plaza, Janjirwala Square, Indore (M.P.) - 452001

#### *Internal Auditor:*

M/s Dilip Rathor & Co., Chartered Accountants  
Dhamnod (M.P.) - 454552

#### *Name of Stock Exchange, Script Code & ISIN No.:*

BSE Limited: Scrip Code: 539986 ISIN:INE073V01015

#### *Bankers:*

State Bank of India  
Bank of Baroda  
HDFC Bank Limited  
Kotak Mahindra Bank Ltd.  
Axis Bank Ltd.  
Yes Bank Ltd.

#### *Registered Office:*

Commercial House, 3-4, Jaora Compound  
M.Y.H. Road, Indore (M.P.) - 452001  
CIN: L25202MP1984PLC002669  
Email: investors@comsyn.com Tel : +91 731- 4279525/26,  
Website: www.comsyn.com

#### *Share Transfer Agent:*

**Bigshare Services Private Limited**  
1st Floor, Bharat Tin Works Building  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai (M.H.) - 400059  
Tel : + 91-22-6263 8200  
Email: investor@bigshareonline.com  
Website: www.bigshareonline.com

#### *Works :*

**Unit I:** Plot No.S-4/1, S-4/2, S-4/3, S-4/3A Sector 1, Pithampur (M.P.)  
**Unit II:** Plot No. S-2/1, S-3/1, S-3/2, Sector-1, Pithampur (M.P.)  
**Unit III:** Plot No. 309, Sector-1, Pithampur (M.P.)  
**Unit SEZ:** Indore Special Economic Zone, Plot No. 15 to 18, Phase-I, Sector-III, Pithampur (M.P.)  
**Solar Power Division:** PH No. 36, Village Galihara, Tehsil, Sitamau, District Mandsaur (M.P.)  
**Trading Division Warehouse:** 61/2, Sector F, Sanwer Road, Indore (M.P.)

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## NOTICE

Notice is hereby given that 37th Annual General Meeting of the members of **COMMERCIAL SYN BAGS LIMITED** will be held on **Thursday the 30th day of September, 2021** at 2:00 P.M. through Video Conferencing (VC)/Other Audio Visual Means (OAVM) at registered office of the company situated at Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore (M.P.) 452001 shall be deemed as the venue for the Meeting and the proceedings of the AGM to be made thereat, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as at 31st March 2021, the statement of Profit & Loss, Cash Flow, Changes in Equity and notes thereto of the company for the financial year ended 31st March 2021 and the Report of the Board's and Auditors thereon as on that date.
2. To declare dividend on the 1,18,17,400 equity shares of Rs. 10/- each of the Company for the financial year ended 31st March, 2021.
3. To appoint a director in place of **Shri Virendra Singh Pamecha (DIN:07456367)** who liable to retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS:

4. To confirm and approve the appointment of **Shri Vijay Kumar Bansal (DIN No: 09002441)** as an Independent Director for a First Term of 5 (five) consecutive years w.e.f. 14th February, 2021:

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2015 read with Schedule IV of the Companies Act, 2013 and the provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Vijay Kumar Bansal (DIN No: 09002441), who was appointed by the Board as an Additional Director under the category of Independent Director w.e.f. 14th February, 2021, in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company and a declaration has been received from him confirming that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) Consecutive Years w.e.f. 14th February, 2021 till 13th February, 2026 and his office shall not be liable to retire by rotation.

5. **To confirm and approve the re-appointment of Smt Ranjana Choudhary (DIN: 03349699), as the Whole-time Director for 5 (five) years w.e.f. 1st June, 2022:**

To consider and if thought fit, to convey assent or dissent to the following Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and upon the recommendation of the Nomination and Remuneration committee and further approval of Board of Directors, consent of the Members be and is hereby accorded for re-appointment of Smt. Ranjana Choudhary as the Whole-time Director of the Company for a further period of 5 years with effect from 1st June, 2022 on the remuneration not exceeding Rs. 3,00,000/- (Rupees Three Lakhs only) per month.

**RESOLVED FURTHER THAT** in addition of aforesaid remuneration, Smt. Ranjana Choudhary, Whole-time Director shall also be entitled for the following benefits and shall not be considered for the purpose of calculation of the maximum

permissible remuneration as it covers under the exempted category.

1. **Employers Contribution to PF:** As per the Rules of the Company.
2. **Gratuity:** As per the rules of the Company, subject to the maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. **Earned Privilege Leave:** As per the rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days' salary for every year of completed services at the end of the tenure.
4. Personal Accident Insurance Premium not exceeding Rs. 50,000 per annum.

#### **FACILITIES TO PERFORM THE COMPANIES WORK:**

1. **Car:** The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance/car expenses shall be made as per actual on the basis of claims submitted by her.
2. Telephone, Internet & Cell: Free use of telephone, internet at her residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Whole-time Director.

**RESOLVED FURTHER THAT** in the event of there being any loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Smt. Ranjana Choudhary shall be minimum remuneration payable by the Company.

**RESOLVED FURTHER THAT** there shall be clear relation of the Company with Smt. Ranjana Choudhary as "the Employer-Employee" and each party may terminate the above said appointment with six months' notice in writing or salary in lieu thereof.

**RESOLVED FURTHER THAT** Smt. Ranjana Choudhary, Whole-time Director shall also be entitled to reimbursement of actual entertainment, travelling time to time to perform her duties as per rules of the Company.

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of her remuneration within the permissible limits in its absolute discretion as may be considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company without any requirement to seek further approval of the members of the Company."

6. **To approve the re-appointment of Shri Milind Mahajan (DIN: 00155762), as the Independent Director for the second term of 5 (five) consecutive years w.e.f. 10th May, 2022:**

To consider and if thought fit, to convey assent or dissent to the following Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Shri Milind Mahajan (DIN: 00155762)**, who was appointed as an Independent Director for a 1st term of 5 years which is ending on 9th May, 2022 and being eligible, and has submitted a declaration for confirming his independence and upon recommendation of the Nomination and Remuneration Committee and the Board, **Shri Milind Mahajan (DIN: 00155762)**, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years, w.e.f. 10th May, 2022 to 9th May, 2027 and he shall not be liable to retire by rotation."

7. **To approve the increase in the limits u/s 186 of the companies Act, 2013 for authority to the Board for making investments/extending loans and for giving guarantees or providing securities in connection with loans to Persons/Bodies Corporate:**

To consider and if thought fit, to convey assent or dissent to the following Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 185, 186 and 188 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 100.00 Crores (Rupees One Hundred Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution

**8. To approve the increase in the remuneration payable to Shri Ravindra Choudhary, Chief Executive Officer pursuant to section 188(1)(f) of the Companies Act, 2013**

To consider and if thought fit, to convey assent or dissent to the following **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (Act), Regulation 23 of the SEBI (LODR) Regulation, 2015 and regulations as may be framed by the SEBI from time to time including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and upon the recommendation of the Nomination and Remuneration Committee and Audit Committee, the consent of the members be and is hereby accorded to increase the remuneration payable to Shri Ravindra Choudhary, Chief Executive Officer and categorized as the Key Managerial Personnel of the Company who is also relative of the directors of the Company upto Rs. 6,00,000/-per month w.e.f., 1st October, 2021 upon such break thereof as may be decided by the Nomination and Remuneration Committee of the Board from time to time.”

**9. To approve the increase in the remuneration payable to Shri Pramal Choudhary, Chief Operating Officer pursuant to section 188(1)(f) of the Companies Act, 2013:**

To consider and if thought fit, to convey assent or dissent to the following **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (Act), Regulation 23 of the SEBI (LODR) Regulation, 2015 and regulations as may be framed by the SEBI from time to time including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and upon the recommendation of the Nomination and Remuneration Committee and Audit Committee, the consent of the members be and is hereby accorded to increase in the remuneration payable to Shri Pramal Choudhary, Chief Operating Officer and categorized as the Key Managerial Personnel of the Company who is also relative of the directors of the Company upto Rs. 6,00,000/-per month w.e.f., 1st October, 2021 upon such break thereof as may be decided by the Nomination and Remuneration Committee of the Board from time to time.”

**10. To approve the increase in Authorised Share Capital of the Company**

To consider and if thought fit, to convey assent or dissent to the following **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 13, 64 and other applicable provisions, if any, of Companies Act, 2013 and the rules notified there under (including any statutory modification(s), amendments or reenactment(s) thereof for the time being in force) and further subject to any other laws and regulations, as may be applicable and the enabling provisions of Articles of Associations of the Company the approval of members of the Company be and is hereby accorded to increase the Authorized Share Capital of the company from Rs.13,00,00,000(Rupees Thirteen Crore Only) divided into 1,30,00,000 (One Crore Thirty Lakhs Only) Equity Shares of 10/- each(Rupees Ten only) to Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crores Fifty Lakhs) Equity Shares of Rs10/- each (Rupees Ten only)”

**11. To approve the alteration of the Clause V of Memorandum of Association of the Company.**

To consider and if thought fit, to convey assent or dissent to the following **Special Resolution**:

**RESOLVED THAT** pursuant to Section 13, 61 and 64 and other applicable provisions, if any, of Companies Act, 2013 and the rules notified thereunder (including any statutory modification(s), amendments or reenactment(s) thereof for the time being in force) and further subject to any other laws and regulations, as may be applicable and the enabling provisions of Articles of Associations of the Company the approval of members of the Company be and is hereby accorded to alter the Clause V of the Memorandum of Association of the Company by way of substitution with the following new Clause V:

**“V.** The Authorized capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each with the power to increase and reduce the Capital of the Company and to alter, convert, re-classify, into several classes of stock or shares and to divide or sub-divide and consolidate the same with the power to attach thereto respectively such preferential, deferred, or special rights, privileges or conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company from time to time.”

**12. To consider and approve the issuance of warrants convertible into equity shares on preferential basis to promoter, promoter group of the company and other specified persons.**

To consider and if thought fit, to convey assent or dissent to the following **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(c) read with Section 42 of the Companies Act, 2013, Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, [SEBI (ICDR) Regulations] the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, [SEBI (LODR) Regulations], the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 [SEBI (SAST) Regulations] and enabling provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the BSE Limited, where the shares of the Company are listed and subject to any approval, consent, permission and/or sanction of the other appropriate authorities, if any (hereinafter collectively referred to as “the appropriate authorities”), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as “the requisite approvals”), which may be agreed by the Board of Directors of the Company (hereinafter called ‘the Board’) which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution, the approval of members of the Company by way of Special Resolution, be and is hereby granted to create, offer, issue and allot upto **15,00,000 (Fifteen Lakhs)** Warrants of Rs. 130/- (Rs. One Hundred Thirty only) aggregating upto Rs. 1950.00 Lakhs (Rupees Nineteen Crores Fifty Lakhs Only) convertible into one Equity Share of Rs. 10/- (Rupees Ten Only) of the Company at a premium of Rs. 120/-(Rupees One Hundred Twenty Only) per share for every warrant which is more than the minimum price of Rs. 129.93 (Rs. One Hundred Twenty Nine and Paise Ninety Three only) as certified by the Auditors of the Company with

respect to the **Relevant Date i.e. 31st August, 2021** as prescribed under the SEBI (ICDR) Regulations, 2018 for Preferential Issues of Shares/ Securities as contained in Chapter V of the SEBI (ICDR) Regulations, 2018 in one or more tranches, by way of preferential issue to the following persons forming part of Promoter and Promoter group and other specified persons/Non Promoters, who are eligible to participate in the preferential issue.

Sr. No.	Name of Proposed Allottee subscribers	Category of the proposed allottees Subscribers	No of Warrants of Rs. 130/- per warrant proposed to be issued	No of equity shares of Rs. 10/- each to be allotted upon exercise of option for conversion of the warrants at a premium of Rs. 120/-per share
1.	Shri Mohan Lal Choudhary	Promoter	1,00,000	1,00,000
2.	Shri Anil Choudhary	Promoter	1,00,000	1,00,000
3.	Shri Ravindra Choudhary	Promoter	1,92,500	1,92,500
4.	Shri Pramal Choudhary	Promoter	1,92,500	1,92,500
5.	Praavanya Ventures LLP	Non Promoters	4,57,500	4,57,500
6.	Shri Vijay Vinodchandra Shah	Non Promoters	75,000	75,000
7.	Smt. Bindiya Vijay Shah	Non Promoters	82,500	82,500
8.	Shri Prajal Bhandari	Non Promoters	1,50,000	1,50,000
9.	Smt Hetal Ashish Mehta	Non Promoters	1,50,000	1,50,000
	<b>TOTAL</b>		<b>15,00,000</b>	<b>15,00,000</b>

**RESOLVED FURTHER THAT** the aforesaid Warrants shall be issued on the following terms and conditions:

- The warrants shall be issued on preferential basis to the aforesaid proposed allottees at a price of Rs. 130/- (Rupees One Hundred Thirty only) per warrant;
- The warrants shall be issued in the D-mat Form only;
- Upfront amount of Rs.32.50 (Rs. Thirty Two and Paise Fifty only) per warrant (being not less than 25% of the price of warrant) shall be payable along with the application and remaining amount of Rs. 97.50 (Rupees Ninety Seven and Paise Fifty only) per warrant shall be payable before exercising the option for conversion of warrants into equity share within a period of 18 (Eighteen) months from the date of allotment of warrants in one or more than one tranches in accordance with the provisions of Regulation 162 of SEBI (ICDR) Regulations, 2018;
- If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period of 18 (Eighteen) months, the entitlement of the Warrant holders to apply for equity shares of the Company along with the rights attached thereto, shall expire and the amount paid as Upfront amount on the application shall be liable for forfeiture as per provisions of the SEBI (ICDR) Regulations, 2018.
- The Warrant holder shall be entitled to exercise any or all of the warrants in one or more tranches by way of a written notice to the Company, specifying the number of warrants proposed to be exercised along with the aggregate amount due thereon, without any further approval from the shareholders prior to or at the time of conversion. The Board of Directors or Committee thereof shall accordingly, issue and allot the corresponding number of shares to the Warrant holder subject to compliance of the SEBI (SAST) Regulations, 2011 as may be applicable from time to time;
- The Warrants shall not be listed and tradable at the stock exchange and shall be under lock in period;
- The Equity shares so allotted upon conversion of warrants shall be listed at the BSE Ltd. where the existing shares of the Company are listed;
- The Equity share so allotted upon conversion shall be under lock in for a period of 3(three) years for promoters and 1 (one) year for other shareholders (Non-Promoter) from the date of trading permission granted by the BSE Ltd.;

- (i) The existing shares held by the proposed allottees shall be under freeze/lock in period for a period not less than 6 (six) months from the date of issuance of warrants and such shares shall be further freezed for a further period of not less than 6 (six) months from the date of trading permission granted for the shares issued upon conversion of warrants;
- (j) The Warrants by itself until exercised and equity shares so allotted, does not give to the Warrant holder thereof any rights with respect to that of a shareholder of the Company;
- (k) Upon exercise by the holder of the Warrants, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Warrant holder, evidence of the credit of the Equity Shares to the depository account of the Warrant holder and entering the name of Warrant holder in the records of the Company (including in the Register of Members of the Company) as the registered owner of such Equity Shares.
- (l) Other terms and conditions if any as prescribed and applicable relating to the SEBI (ICDR) Regulations, SEBI (LODR) Regulations and SEBI (SAST) Regulations.

**RESOLVED FURTHER THAT** for the purpose of issuance of the warrants convertible into equity shares the relevant date is determined and fixed by the Board as **31st August, 2021** i.e. thirty days prior to the Annual General Meeting proposed to be held on **30th September, 2021**

**RESOLVED FURTHER THAT** the equity shares allotted on exercise of warrants in terms of this Resolution shall rank pari passu in all respects (including as to entitlement to participate in voting powers, dividend, bonus shares and right entitlement, if any) with the existing fully paid-up equity shares of face value of Rs. 10/- each of the Company, subject to the relevant provisions contained in the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of directors including a Committee thereof duly constituted by the Board (with power to delegate to any Officer of the Company), be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities, filing of corporate action for addition of new warrants and equity shares for change in the capital structure with the Central Depository Services (India) Ltd. and/or National Security Depository Limited and listing thereof with the stock exchange as may be required and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of the aforesaid Securities, execution of documents related to utilization of the issue proceeds, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board or Committee in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

Date: 04th September, 2021

Place: Indore

**Commercial Syn Bags Limited**

CIN: L25202MP1984PLC002669

Registered Office: Commercial House,

3-4, Jaora Compound

M.Y.H. Road Indore (M.P.) - 452001

**By Orders of the Board of Director**

**Sandeep Patel**

**Company Secretary**

**ACS 54908**

## NOTES:

### For e-voting and Joining Virtual meetings.

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated 5th May, 2020 and Circular No. 2/2021 dated 13th January, 2021, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only and no physical presence at the meeting is required.
2. In terms of the Articles 164A of the Articles of Association of the company, the Members of the Company can waive/forgo, if he/she/they so desire(s), his/her/ their right to receive the dividend (interim or final) for any financial year on a year to year basis, as per the rules framed by the Board of Directors of the Company from time to time for this purpose. Therefore, the Shareholder, if so wishes to exercise their rights to waive/forgo their rights to receive the Dividend for the year 2020-21 needs to fill up the form as available on the website of the company [www.comsyn.com](http://www.comsyn.com) and send it to the Company Secretary of the company by way of email at [cs@comsyn.com](mailto:cs@comsyn.com) or [investors@comsyn.com](mailto:investors@comsyn.com) or [investor@bigshareonline.com](mailto:investor@bigshareonline.com) or at the Registered Post or by hand on or before 24th Sept., 2021.
3. Pursuant to the Circular No. 14/2020 dated 8th April, 2020 followed by Circular No. 2/2021 dated 13th January, 2021, issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders holding 2% or more share capital, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinizers, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
6. 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 (LODR) Regulations, 2015 (as amended), and the Circulars issued by the MCA dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 13th January, 2021 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 made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for VC/OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.
7. The Notice calling the AGM alongwith complete Annual Report has been uploaded on the website of the Company. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd. at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and providing necessary platform for Video Conference/OAVM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. This AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April, 2020; Circular No. 17/2020 dated 13th April, 2020; Circular No. 20/2020 dated 5th May, 2020 and Circular No. 2/2021 dated 13th January, 2021.
9. The recorded transcript of the forthcoming AGM shall also be made available on the website of the Company – [www.comsyn.com](http://www.comsyn.com) as soon as possible after the Meeting is over.

10. In compliance with the aforesaid MCA Circulars dated 5th May, 2020 and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website –www.comsyn.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of CDSL https://www.evotingindia.com. However, if any specific request received from the members for demanding of the physical copy of the Annual Report will be provided by the company but subject to time taken by the courier and Postal Department looking to the Covid-19.
11. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
12. Pursuant to Finance Act, 2020, dividend income if any declared by the Company will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company shall be required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Big Share Services Private Limited, the Share Transfer Agent (in case of shares held in physical mode) and to the concerned depositories. (in case of shares held in demat mode)

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to investors@comsyn.com by 11:59 p.m. IST on or before 24th September, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to investors@comsyn.com or cs@comsyn.com. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on or before 24th September, 2021.

13. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed and forms part of the Notice.
14. Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 24th September, 2021 to Thursday, 30th September, 2021** (both days inclusive) for the Annual General Meeting and for ascertainment for entitlement of payment of dividend to the members whose names appear in the Register of members and the records of the beneficiaries of the CDSL and NSDL on the date of the Annual General Meeting.
15. CS Ishan Jain, Practicing Company Secretary (F.R.No. S2021MP802300, M.No. FCS 9978 & C.P. No. 13032) Proprietor of M/s Ishan Jain & Co., Company Secretaries, Indore has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the e-voting at the AGM and remote e-voting process in a fair and transparent manner.
16. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting at its email ID investors@comsyn.com or cs@comsyn.com so that the information required may be made available at the Meeting.
17. The Members are requested to:
  - a) - Intimate changes, if any, in their registered addresses immediately.
  - b) - Quote their ledger folio number in all their correspondence.
  - c) - Send their Email address to us for prompt communication and update the same with their D.P to receive softcopy of the Annual Report of the Company
18. Members are requested to notify immediately any change in their address and also intimate their active E-Mail ID to their

respective Depository Participants (DPs) in case the shares are held in demat form and in respect of shares held in physical form to the Registrar and Share Transfer Agent Big Share Services Private Limited, 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai(M.H.)400059 having email Id Annual Report 2020-21,investor@bigshareonline.comto receive the soft copy of all communication and notice of the meetings etc., of the Company.

19. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Board Report.
20. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the 37thAGM. Members seeking to inspect such documents can send an email to investors@comsyn.com or cs@comsyn.com.
21. Due dates for transfer of unclaimed/unpaid dividends and the amount remained unclaimed which may be transferred if continuing remain unpaid and or the balance amount if claimed by the shareholders for transfer thereafter the same to IEPF are as under:

F. Y. Ended	Declaration Date	Due Date for transfer to IEPF	Amount remains unpaid/ unclaimed as at 31.03.2021 (Rs.)
2019-20	29/09/2020	07/12/2027	40

22. Voting through electronic means

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

The instructions of shareholders for e-voting and joining virtual meetings are as under:

- (i) The voting period begins on **27th September 2021 (Monday) from 9:00 A.M. (IST) and ends on 29th September, 2021 (Wednesday) at 5:00 P.M. (IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **23rd September, 2021 (Thursday)** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of SEBI (LODR) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shares is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on “Shareholders” module.
  - Now enter your User ID
    - For CDSL: 16 digits beneficiary ID,
    - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (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](http://www.evotingindia.com) and voted on an earlier e-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 Physical shareholders and other than individual shareholders holding shares in Demat.
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders 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 the relevant <Commercial Syn Bags Ltd.> 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) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “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](mailto: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](mailto: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 at the email address viz; [investors@comsyn.com](mailto:investors@comsyn.com) or [cs@comsyn.com](mailto:cs@comsyn.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**23) Instructions for shareholders attending the AGM through VC/OAVM& e-voting during meeting are as under:**

- (i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after

successful login as per the instructions mentioned above for e-voting.

- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) 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.
- (vii) 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 at least **7 days prior to meeting i.e 23rd September, 2021 (Thursday)** mentioning their name, demat account number/folio number, email id, mobile number at investors@comsyn.com or cs@comsyn.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting i.e 27th September, 2021 (Monday)** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) 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.
- (x) If any Votes are cast by the shareholders through the e-voting available during the EGM/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.

**Process for those shareholders whose email/mobile no. are not registered with the company/depositories.**

- 1) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Registrar and Share Transfer Agent Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, (M.H.) 400059 having email Id investor@bigshareonline.com.
- 2) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

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.

- 3) CS Ishan Jain, Practicing Company Secretary (F.R.No. S2021MP802300, M.No.FCS 9978 & C.P. No. 13032) and Proprietor of M/s. Ishan Jain &Co., Company Secretaries, Indore has been appointed as the Scrutinizer for providing

facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

- 4) Members can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- 5) Any person, who acquires shares of the Company and become member of the Company after mailing of the notice and holding shares as on the cut-off date i.e. 23rd September, 2021 (Thursday), may obtain the login ID and password by sending a request at investor@bigshareonline.com.
- 6) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 23rd September, 2021(Tuesday) only shall be entitled to avail the facility of remote e-voting as well as e- voting at the AGM.
- 7) The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting to all those members who are present/logged in at the AGM but have not cast their votes by availing the remote e-voting facility
- 8) The Results of the voting on the resolutions along with the report of the Scrutinizer shall be declared and placed on the website of the Company – www.comsyn.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd.
- 9) For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents at the following address:

Big Share services Private Limited, 1st Floor, Bharat Tin Works Building opposite Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai (M.H)-400059 Tel: +91-22-6263 8200 E-mail: investor@bigshareonline.com.

24. The 37th AGM will be held through VC/OAVM therefore, the requirement for route map is not applicable.

#### Details of the Director Seeking Appointment/Re-Appointment in the Ensuing Annual General Meeting

Name of Directors	Shri Vijay Kumar Bansal	Shri Virendra Singh Pamecha	Smt Ranjana Choudhary	Shri Milind Mahajan
Designation	Independent Director	Whole - Time Director	Whole - Time Director	Independent Director
DIN	09002441	07456367	03349699	00155762
Date of Birth	14/06/1962	01/07/1969	04/05/1981	12/10/1966
Date of Appointment (previous Appointment)	Appointed as the Additional Director in the capacity of Independent Director w.e.f. 14-02-2021 for the period of 5 (Five) consecutive years not liable to retire by rotation.	Appointed as the Whole-time Director w.e.f. 26th March, 2016 for a period of 5 years subject to liable to retire by rotation.	Appointed as Whole Time Director w.e.f. 01/06/2017 for a period of 5 years subject to liable to retire by rotation.	Appointed as an Independent Director for the First term of 5 (Five) Consecutive Years w.e.f. 10th May, 2017 as a Director not liable to retire by rotation.
Expertise in specific area	Having vast experience of 32 years in Petrochemical Industry (IPCL / RIL) with multiple areas of	Having more than 30 years of working experience in manufacturing industries; he acts as an	She has more than 9 years of experience in the field of administration, management and	He has vast experience in the field of business management, e-governance and IT-enabled services.

	functioning. Leadership role in Sales, Marketing Agriculture, Sales and also Worked across the country in Polymer market. Excellent customer contacts (Gujarat, Rajasthan, Chandigarh, Haryana, Himachal, J&K, Punjab and M.P.) and Business Development	occupier and is entrusted with control of affairs of the company's factories situated at Pithampur (M.P.)	plastic packaging industry	
Qualification	PGDM, B.E. (Agri. Engg.)	B.Com	B.Com, Masters Degree in Computer Management from North Maharashtra University, Jalgaon, (M.H.)	Post Graduate in Management from Devi Ahilya University, Indore (M.P.) and B.E (Electronics) from Pune University, Pune (M.H.)
List of Outside Directorship held	NIL	Comsyn India Pvt. Ltd.	Mohra Infratech Private Limited	<ol style="list-style-type: none"> <li>1. Midwest Autosales Private Limited</li> <li>2. Milman Power Technologies Pvt. Ltd.</li> <li>3. Waman Motors Pvt. Ltd.</li> <li>4. Aero Club of India</li> <li>5. Mirash Infotech Private Limited</li> <li>6. Sunsys Energy &amp; Infrastructures India Private Limited</li> <li>7. The Madhya Pradesh Flying Club Limited</li> </ol>
Chairman / Member of the Committees of the Board of Directors of the Company	Member of Nomination and Remuneration Committee	Member of Audit Committee	Member of Corporate Social Responsibility Committee	<ul style="list-style-type: none"> <li>- Chairman of Stakeholder Relationship Committee</li> <li>- Member of Audit; and</li> <li>- Member of Nomination and Remuneration Committee</li> </ul>
No. & % of Equity Shares held	NIL	NIL	2,21,600 (1.88%)	NIL
Disclosures of relationships between directors and KMPs inter-se.	Not Applicable	Not Applicable	Smt Ranjana Choudhary is a Sister in Law of Shri Ravindra Choudhary-CEO	Not Applicable

### Brief Resume

**1. Shri Vijay Kumar Bansal:**

Shri Vijay Kumar Bansal, aged 59 Years have done Post Graduate Diploma in Management from IIM Ahmedabad and Bachelor of Engineering (agricultural engineering) Gold Medalist from Sukhadia University, Udaipur. He is an energetic, focused and organized personality having vast experience of 32 years in Petrochemical Industry (IPCL / RIL) with multiple areas of functioning. Leadership role in Sales, Marketing Agriculture, Sales and also worked across the country in Polymer market. Excellent customer contacts (Gujarat, Rajasthan, Chandigarh, Haryana, Himachal, J&K, Punjab and M.P.) and Business Development. He has also vast experience in field of Marketing.

**2. Shri Virendra Singh Pamecha:**

Shri Virendra Singh Pamecha, aged 52 years is the Whole-time Director of the Company. He is associated with the company since more than 10 years. He has an experience of more than 30 years in Manufacturing Industry. He acts as an occupier and is entrusted with control of affairs of the company's factories situated at Pithampur (M.P.).

**3. Smt. Ranjana Choudhary:**

Smt. Ranjana Choudhary, aged 40 years is the Whole-time Director of the Company is a Graduate in Commerce and Masters Degree in Computer Management from North Maharashtra University, Jalgaon, (M.H.). She has an experience of more than 9 years of experience in the field of administration, management and plastic packaging industry years in Manufacturing Industry.

**4. Shri Milind Mahajan:**

Shri Milind Mahajan, aged 54 years is an energetic, focused and organized personality having vast experience in the field of business management, E-governance and IT-enabled services. He is currently managing his own business as Director of Mirash Infotech Private Limited, Indore since 1997 which is a large scale variable data printing and E-governance company and among the leading companies of Central India. He is also the Director and Honorary Secretary of the Madhya Pradesh Flying Club Limited a non-profit venture aided by Ministry of Civil Aviation, Government of India.

### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 4**

The Nomination and Remuneration Committee have recommended and Board of Directors at their meeting held on 13th February, 2021 have appointed Shri Vijay Kumar Bansal (DIN No: 09002441) as an Additional Director under the category of the Independent Director of the Company w.e.f. 14th Feb., 2021 pursuant to Section 161 of the Companies Act, 2013 subject to the approval of Members at General Meeting.

Aforesaid independent director proposed for appointment is not disqualified to act as a Director in terms of section 164 of the Act and other applicable laws and has given his consent to act as a Director. The Company has also received declaration from him stating that he meets the criteria of independence as prescribed under section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015. In the opinion of the Board, he fulfils the criteria of independency and the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015 and further he is also registered under the Independent Directors Databank maintained by IICA.

The resolution set out in Item No. 4 seeks the approval of members for the appointment of Shri Vijay Kumar Bansal as an Independent Director of the Company for an initial term of 5 (five) consecutive years w.e.f. 14th February, 2021 till 13th February, 2026; pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. His office shall not be liable to retire by rotation. The brief profile of Shri Vijay Kumar Bansal is given provided in the Notice of AGM with the details of the directors

seeking appointment/re-appointment.

Copy of draft letter of re-appointment setting out the terms and conditions of the re-appointment is available for inspection by the members at the Registered Office and on the website of the Company.

The aforesaid director may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend passing resolutions as set out in the Item No. 4 by way of Ordinary Resolution.

#### Item No. 5

Smt. Ranjana Choudhary was re-appointed at the 33rd Annual General Meeting held on 22nd September, 2017 as the Whole-time Director for a period of Five years from 1st June, 2017 to 31st May, 2022. The term of appointment would end on 31st May, 2022. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the re-appointment of Smt. Ranjana Choudhary for a further period of five years on such terms and remuneration as set out in resolution.

The Board considered that the terms and conditions the salary and perquisites as given in the Item No. 5 of the notice is commensurate with her responsibilities, status and image of the Company. The Board recommends to pass necessary special resolution as set out in Item No. 5 of the notice.

Smt. Ranjana Choudhary, being appointee is considered as financially interested in the resolution to the extent of the remuneration paid to her and Shri Ravindra Choudhary the CEO being her relatives may also be deemed as concerned or interested otherwise in the resolutions. Except that none of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

Smt. Ranjana Choudhary is holding 2,21,600 (1.88%) shares in the Company.

The Information as required under section II, Part 2 of the Schedule V is being given as under:

#### I. General Information:

(1)	Nature of industry	The company is a manufacturer of FIBC, Bulk Bags, Poly-tarpaulin, woven sacks/bags, etc and the company is also having solar power project which is used for captive consumption.
(2)	Date or expected date of commencement of commercial production	N.A., already existing in business
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A., already existing in business
(4)	Financial performance based on given indicators	The Company has achieved gross turnover of Rs. 21,389.10 Lakhs for the year ended 31st March, 2021 and earned profits before Tax Rs. 1460.32 Lakhs.
(5)	Foreign investments or collaborations, if any.	46,738 equity shares were hold by the NRI, which are about 0.40% of the total paid up share capital of the company. However, there is no foreign collaboration as such.

**II. Information about the appointee:**

(1)	Background details	Smt. Ranjana Choudhary, aged 40 years is the Whole-time Director of the Company is a Graduate in Commerce and master's degree in computer management from North Maharashtra University, Jalgaon, (M.H.). She has an experience of more than 9 years of experience in the field of administration, management and plastic packaging industry years in Manufacturing Industry.
(2)	Past remuneration	The total Remuneration for the year period 2020-21 was Rs. 13.00 Lakhs
(3)	Recognition or awards	Nil
(4)	Job profile and her suitability	She is handling day to day administration and management of the company.
(5)	Remuneration proposed	Rs. 36.00 Lakh+ perks per annum as may be admissible.
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is comparable with remuneration for equivalent position in a unit of comparable size and complexity.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Smt. Ranjana Choudhary hold 1.88% equity share capital of the Company. She is also having interest to the extent of the remuneration which she may draw from the Company being the Whole-time Director and dividend as may be declared by the Company. Smt. Ranjana Choudhary is a relative of Shri Ravindra Choudhary CEO of the Company.

**II. Information about the appointee:**

(1)	Reasons of loss or inadequate profits	There is no loss however, The company is having inadequate profits for remuneration proposed to be payable to the proposed appointee. The said inadequate profit is due to increased in the remuneration payable to appointee.
(2)	Steps taken or proposed to be taken for improvement	The Company is continuing efforts to introduce higher value products and broaden its operating base.
(3)	Expected increase in productivity and profits in measurable terms	The Company expect to increase its turnover and profits every year.

**Item No. 6**

**Shri Milind Mahajan** (DIN: 00155762) was appointed as the Independent Directors of the Company to holds office as an Independent Director upto 9th May, 2022 ("first term"). The Nomination and Remuneration Committee (NRC) of the Board of Directors, on the basis of the report of performance evaluation, recommends for his re-appointment as the Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company. The Board, considers that, his background and experience

and contributions made by him during his tenure, the continued association would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint him as an Independent Director and he will be not liable to retire by rotation.

Aforesaid independent director proposed for re-appointment is not disqualified to act as a Director in terms of section 164 of the Act and other applicable laws and has given his consent to act as a Director. The Company has also received declaration from him stating that he meets the criteria of independence as prescribed under section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015. In the opinion of the Board, he fulfils the criteria of independency and the conditions for his re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015 and further he is also registered under the Independent Directors Databank maintained by IICA.

Copy of draft letter of re-appointment setting out the terms and conditions of the re-appointment is available for inspection by the members at the Registered Office and on the website of the Company.

The aforesaid director may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution. Mr. Mahajan is not holding any share in the company.

Your directors recommend to pass the resolution as set out in the Item No. 6 of the Notice by way of Special resolution.

#### **Item No. 7**

The Company has been making investments in, giving loans and guarantees and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act.

The provisions of Section 186 read with section 185 and 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. Hence, the Special Resolution at Item No.7 of the Notice, notwithstanding the fact that the same exceeds the limits provided under Section 186 of the Act. The Directors recommend the Special Resolution as set out at Item No. 7 of the accompanying Notice, for Members' approval.

The Directors or KMPs of the Company or their relative may be considered as deemed to be interested financially or otherwise to the extent of the loans, guarantee, security provided or investments made in any in such entities in which they may hold interest if any in the aforesaid Special Resolution.

#### **Item No. 8 and 9**

Shri Ravindra Choudhary, Chief Executive Officer and Shri Pramal Choudhary, Chief Operating Officer of the company were appointed by the Board w.e.f. 12th May, 2016 upon the recommendation of the Nomination and Remuneration Committee (NRC) and Audit Committee. Since both the aforesaid executives are relative Shri Anil Choudhary, Chairman & Managing Director and Smt. Ranjana Choudhary, Whole-time Director, therefore their appointment falls under section 188(1)(f) of the Companies Act, 2013

read with Rule 3(b) of the Companies (Meetings of Board & its Powers) Rules 2014; therefore approval of the members of the Company by way of ordinary resolution is required for payment of monthly remuneration exceeding Rs. 2.50 Lakhs p.m. to the relative of Directors in the office of place of profit.

The NRC and the Board has reviewed the performance of the aforesaid executives and considering the nature of complexity of the position handled by them, the NRC and the Board considers that the Company needs to approve the remuneration which is in excess of the statutory limit prescribed for the Board of directors of the Company, from Rs. 3,50,000 p.m. to a maximum amount of Rs 6,00,000 p.m. w.e.f. 1st October, 2021.

Shri Ravindra Choudhary being the KMP is financial interested to the extent of the remuneration as may be drawn by him and Shri Anil Choudhary, Chairman and Managing Director and Smt. Ranjana Choudhary, being the relatives of Shri Ravindra Choudhary and Shri Pramal Choudhary the aforesaid appointee is considered as interested otherwise in the resolution to the extent of the remuneration paid to them Except that none of the directors or (KMP or their relatives are concerned or interested in the Resolution.

Your directors recommend to pass the resolutions as set out in the Item No. 8 and 9 of the Notice by way of Ordinary Resolution.

#### **Item No. 10 & 11**

The Company forecasting the future prospects and growth objectives proposes to surge the present Authorized Share Capital Base, which is inadequate, to accommodate the further issuance of shares. Therefore, it will be appropriate to increase the Authorized Share Capital of the Company from Rs 13.00 Crores to Rs 15.00 Crores as per Item No. 10 of the Notice by way of Ordinary Resolution.

To give effect of the increased Authorized capital it is required to alter the existing Clause 5 of the Memorandum by substitution with the new clause 5 as given in the Item No. 11 of the Notice by way of Special Resolution

A copy of the existing Memorandum of Association of the Company along with the draft of the proposed amendments, will be available for inspection by the Members at the Registered Office of the Company on all working days from 10 A.M. to 5 P.M., except on Holidays, upto the date of 37th Annual General Meeting.

The Board recommends the Ordinary and Special Resolution as set out in Item No. 10 & 11 respectively of the Notice for the approval of the members of the Company.

None of the Directors / KMPs or their relatives shall be deemed to be interested or concerned financially or otherwise in the aforesaid resolution except as a shareholder of the company.

#### **Item No. 12**

For meeting the funding requirements of the Company inter alia to fund Company's growth capital requirements, to meet the Company's expenditure to enhance its long term resources and thereby strengthening of the financial structure of the Company and for meeting working capital requirements and repayment of debts and for other general corporate purposes the Board of Directors of the Company, at their Meeting held on 4th September, 2021 accorded its approval for issuance upto 15,00,000 (Fifteen Lakhs Only) warrants of Rs. 130/- (Rupees One Hundred Thirty) Warrants aggregating Rs. 1950.00 Lakhs (Rupees Nineteen Crores Fifty Lakhs Only) convertible into one Equity Shares of Rs.10/- Each (Rupees Ten only) at a premium of Rs. 120/- (Rupees One Hundred Twenty Only) per Warrant to Promoter and Promoter group of the Company and Non Promoter/Other specified persons("Warrant holder/ Proposed Allottee") on preferential basis on the price as determined by the by the Auditors of the Company M/s.Avinash Agrawal & Co., Chartered Accountants (F.R. No. 022666C) by certificate dated 1st Sept., 2021 in accordance with the provisions of Regulation 164 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI (ICDR) Regulations") as amended from time to time.

Pursuant to the provisions of Sections 62(1)(c) and 42 of Companies Act, 2013 ("the Act") read with the SEBI (ICDR) Regulations and the SEBI (LODR) Regulations any preferential allotment of Securities needs to be approved by the Members of the Company by way of a Special Resolution.

1. In terms of Regulation 163 of the SEBI (ICDR) Regulations, the following disclosures being provided which forms part of this Explanatory Statement.
- a) Objects of the Issue-The objective of the issue is to raise funds upto Rs. 1950.00 Lakhs (Rupees Nineteen Crores Fifty Lakhs Only) for meeting the long term financial requirements of the Company in the phased manner within a period of 18 months as stated herein under:

**(I) The Source of funds to be raised: (Rs. In Lakhs)**

S. No.	Particulars	Amount of the Source of Funds	Remarks
1	Issue Proceed from the preferential issue of warrants convertible into equity shares	1950.00 Lakhs	Will Be raised in phase manner till March, 2023
	<b>Total</b>	<b>1950.00 Lakhs</b>	

**(ii) Proposed utilization of the Funds towards the objects of the Issue:(Rs. In Lakhs)**

S. No.	Particulars	Amount of the Source of Funds	Remarks
1.	Purchase of Property, Plant and Equipment	100.00	Will be utilized in the phase manner from time to time
2.	Repayment of Unsecured Loan	181.00	
3.	Long Term and Short Term Working Capital Requirement	375.00	
4.	General Corporate Purpose	487.00	
5.	Investment and providing loan(s) to subsidiary(s)	800.00	
6.	Issue Expenses	7.00	
	<b>Total</b>	<b>1950.00</b>	

- b) **Maximum number of specified securities to be issued** - The Company proposes to offer, issue and allot upto 15,00,000 (Fifteen lakhs Only) warrants of Rs. 130/- (Rupees One Hundred Thirty Only) convertible into Equity share of Rs. 10/- (Rupees Ten Only) at a premium of Rs.120/- (Rupees One Hundred Twenty Only) per share of the company for every warrant in proportion of 1 share for 1 warrant.
- c) **Intent of the promoters, directors or key managerial personnel of the issuer to subscribe to the offer**- The Promoter and their relatives forming group of promoters of the Company intends to subscribe to this preferential issue. However, none of the Independent Director, CFO and Company Secretary do not intent to participate in the proposed issue.

The list of the proposed allottees are as under:

S. No.	Name of Proposed Allottee	Category of the proposed Subscribers	No of Warrants of Rs. 130 per warrant proposed for allotment	No of equity shares of Rs. 10/- each to be issued upon conversion of the warrants at a premium of Rs. 120 per share
1.	Shri Mohan Lal Choudhary	Promoter	1,00,000	1,00,000
2.	Shri Anil Choudhary	Promoter and KMP	1,00,000	1,00,000
3.	Shri Ravindra Choudhary	Promoter Group and KMP	1,92,500	1,92,500
4.	Shri Pramal Choudhary	Promoter Group	1,92,500	1,92,500
	<b>TOTAL PROMOTER GROUP</b>		<b>5,85,000</b>	<b>5,85,000</b>
	Others	Non Promoter	9,15,000	9,15,000
	<b>GRANT TOTAL</b>		<b>15,00,000</b>	<b>15,00,000</b>

**d) Shareholding pattern of the issuer before and after the preferential issue-**

The Company submit the following proposed shareholding pattern before and after the allotment (subject to that the offer is fully subscribed)

Sr. No.	Category	Pre-Issue Shareholding (as on 31st August, 2021)		Post-Issue of Equity Shares Shareholding	
		No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
<b>A</b>	<b>Promoters and Promoter Group Holding:</b>				
<b>A1.</b>	<b>Indian:</b>				
	Individual/HUF	32,91,775	27.86	38,76,775	29.11
	Bodies Corporate	39,34,915	33.30	39,34,915	29.54
	<b>SubTotal</b>	<b>72,26,690</b>	<b>61.15</b>	<b>78,11,690</b>	<b>58.65</b>
<b>A2.</b>	<b>Foreign Promoters</b>	-	-	-	-
	<b>SubTotal(A)</b>	<b>72,26,690</b>	<b>61.15</b>	<b>78,11,690</b>	<b>58.66</b>
<b>B</b>	<b>Non-Promoters holding:</b>				
<b>B1.</b>	<b>Institutions</b>	0	0	0	0
<b>B2</b>	<b>Central Government/ State Government(s)/ President of India</b>	0	0	0	0
<b>B3</b>	<b>Non-Institutions:</b>				
a)	Individual share capital upto Rs. 2 Lacs	12,89,206	10.91	12,89,206	9.68
b)	Individual share capital in excess of Rs. 2 Lacs	26,52,272	22.44	31,09,772	23.35
b)	Indian Bodies Corporate	2,35,103	1.99	6,92,603	5.20
c)	NRI	13,129	0.11	13,129	0.10
d)	Clearing Member	46,870	0.40	46,870	0.35
e)	HUF	3,54,130	3.00	3,54,130	2.66
	<b>SubTotal(B)</b>	<b>45,90,710</b>	<b>38.85</b>	<b>55,05,710</b>	<b>41.34</b>
	<b>TOTAL</b>	<b>1,18,17,400</b>	<b>100.00</b>	<b>1,33,17,400</b>	<b>100.00</b>

*# Assuming that the proposed allottee of the warrants shall subscribe the entire proposed issue and shall give option of conversion of warrants. Further that it is assumed that there would no significant change in other category of shareholding due to allotment of the shares upon the conversion of the warrants.*

**e) Time frame within which the preferential issue shall be completed-** Subject to the obtaining all the required approvals, the allotment of the above said Warrants shall be completed within a period of 15 (fifteen) days from the date of passing of the Special resolution by the shareholders.

**f) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:** Not Applicable, the company is proposing to issue upto 4,57,500 warrants to Praavanya Ventures LLP i.e. 3.43% of the total post issue paid-up capital as well as including existing shareholding of 1,70,088 it will hold total 6,27,088 shares, i.e. 4.71% which is less than 10% of the total paid-up capital of the company. The management do not envisage any change in the control of the issuer company as such.

**g) Undertakings:** In terms of the ICDR Regulations, the Company hereby undertakes that:

Since the equity shares of the Company have been listed on BSE Ltd. for a period of more than 26 weeks prior to the relevant date, the Company is not required to compute the price of the Equity Shares, and therefore, the requirement to submit the undertakings specified under Regulation 163(1)(g) and 163(1)(h) of SEBI (ICDR) Regulations, is not applicable.

**h) Disclosure as specified in Schedule VI of the SEBI (ICDR) Regulation:** The Board of director do hereby confirm that none of the promoter or director of the Company are willful defaulter.

2. **Auditor's Certificate:** A copy of the certificate issued by M/s Avinash Agrawal & Co., Chartered Accountant, (F.R. No. 022666C) the Statutory Auditors of the Company, certifying that the proposed preferential issue of Warrants are in accordance with the requirements contained in Chapter V of the SEBI (ICDR) Regulations, is placed at the Registered office of the company and is available for inspection till the conclusion of the Annual General Meeting to be held on 30th September, 2021.
3. The Company confirm that it does not proposes to issue any warrant/shares for consideration other than cash, therefore it does not require to seek any valuation Report from the Independent Valuer.
4. **The relevant date have been considered as (Tuesday) 31st August, 2021** for the purposes of determination of pricing of the equity shares to be issued/allotted upon the conversion/or exchange of convertible warrants have taken as 30 days prior to the Annual General Meeting to be held on 30th September, 2021.
5. **Basis or Justification of Price:** the issue price has been determined in accordance with the provisions of Chapter V of the SEBI (ICDR) Regulations, 2018.

Since, the Company is listed and frequently traded on BSE Ltd. only the Trading Volume of the Equity Shares of the Company on the BSE Ltd. have been considered to determine for computation of issue price. Pursuant to Regulation 164(1) of the SEBI (ICDR) Regulation, the issue of Equity Shares arising out of exercise of warrants issued on preferential basis shall be made at price not less than higher of followings:

- (a) The average of Weekly High and Low of the Volume Weighted Average Price of the related equity shares quoted on BSE Ltd. during the Twenty Six Weeks preceding the relevant date; Or
- (b) The average of Weekly High and Low of the Volume Weighted Average Price of the related equity shares quoted on BSE Ltd. during the Two Weeks preceding the relevant date.

Pursuant to the above, the issue price for allotment of Warrants/shares were considered Rs.130/- (Rupees One Hundred Thirty) per Warrant/ Shares which is more than Rs.129.93 (Rs. One Hundred Twenty Nine and Paise Ninety Three) the price as determined as per Regulation 164(1) by the Auditors on the Relevant Date.

6. **Lock-in Period:** The Warrants and the equity shares allotted pursuant to exercise of options attached to Warrants issued on preferential basis will be subject to lock-in as provided in the SEBI (ICDR) Regulations. The entire pre-preferential allotment shareholding of the Proposed Allottee, if any, shall be under locked-in for a period of 6 (six) months from the date of allotment of warrants, if any and such shares shall be further frozen for a further period of not less than 6 (six) months from the date of trading permission granted for the shares issued upon conversion of warrants. Further that the shares issued upon conversion of the warrants, the new equity shares as may be issued shall be under lock in period for a period of 3 (three) years for promoter and group and for a period of 1 (One) year for Non Promoters-other specified persons from the date of trading approval granted by the BSE Ltd.
7. In terms of Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 the following disclosures being provided which are not included in the aforesaid disclosures;
- (a) **The Name of the proposed allottee and percentage of post preferential offer capital that may be held by them-** The proposed allotment is to be made to Promoter and Promoter Group and other Specified Group under the Public Category. The name of the proposed allottees and their pre/post issue capital may be as under after conversion of warrants into equity shares:

Sr. No.	Name of Allottee	Category	Pre-Issue Shareholding	% of Share holding	No of shares to be allotted after conversion of warrants	Post conversion/ issuance of shareholding	% of Share holding
1.	Shri Mohan Lal Choudhary	Promoter	5,39,000	4.56	1,00,000	6,39,000	4.80
2.	Shri Anil Choudhary	Promoter	4,99,275	4.22	1,00,000	5,99,275	4.50
3.	Shri Ravindra Choudhary	Promoter Group	1,92,100	1.63	1,92,500	3,84,600	2.88
4.	Shri Pramal Choudhary	Do	2,15,200	1.82	1,92,500	4,07,700	3.06
5.	Praavanya Ventures LLP	Non-Promoters	1,70,088	1.44	4,57,500	6,27,588	4.71
6.	Vijay Shah	Do	14,182	0.12	75,000	89,182	0.67
7.	Bindiya Shah	Do	13,975	0.12	82,500	96,475	0.72
8.	Prajat Bhandari	Do	0	0.00	1,50,000	1,50,000	1.13
9.	Hetal Mehta	Do	0	0.00	1,50,000	1,50,000	1.13

- (b) **Change in control, if any in the Company that would occur consequent to the preferential issue-**There will be no change in the control of the Company upon completion of the underlying Transactions except change in the Voting Rights of the Promoter and Promoter Group and Non promoters under public category.
- (c) **Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price-** No allotment of shares or securities were made by the Company on preferential basis or otherwise during the previous year 2020-21 or calendar year 2021 as well as financial year 2021-22.
- (d) **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.** Not Applicable, being issued against consideration in cash only.

The Board recommends the Special Resolution as set out in Item No. 12 of the Notice for the approval of the members of the Company.

All the material documents are available at the Registered office of the Company.

Shri Anil Choudhary Chairman and Managing Director of the company and Shri Ravindra Choudhary CEO of the company and their relatives are concerned or interested financially or otherwise in the proposed Resolution to the extent of the warrants issued and upon conversion of warrants into the equity shares as may be issued and resulting changing in the voting rights. Except that none of the other Directors and KMP's and their relatives are interested or concerned in any manner in the said resolution.

As per Regulation 23(4) of the SEBI (LODR) Regulations, all the related parties shall absent from voting on the Resolution No. 12 for approval of material related party transaction, irrespective of facts whether the entity is a related party to a particular transaction or not. However, section 188 of the Companies Act, 2013 read with the Relevant Rules and applicable provisions does not list down the proposed preferential issue as a related party transaction and thereby permits the related party to vote on the transaction which are not covered under section 188(1) of the Companies Act, 2013. This Notice is given accordingly in terms of the SEBI (LODR) Regulation and the said provision of the Companies Act, 2013 for the consideration of the resolution and the related parties votes, if any shall be ignored for compliance with the Regulation 23(4) of the SEBI (LODR) Regulation, but shall be taken into consideration for compliance with the provisions of the Companies Act, 2013.

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Date: 04th September, 2021

Place: Indore

**Commercial Syn Bags Limited**

CIN: L25202MP1984PLC002669

Registered Office: Commercial House,

3-4, Jaora Compound

M.Y.H. Road Indore (M.P.) - 452001

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**By Orders of the Board of Director**

**Sandeep Patel**

**Company Secretary**

**ACS 54908**

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## BOARDS' REPORT

To,  
 The Members of,  
**Commercial Syn Bags Limited**

Your Directors take pleasure in presenting the **37<sup>th</sup> Annual Report** along with the audited Standalone and Consolidated Financial Statements for the year ended 31st March, 2021.

### HIGHLIGHTS OF FINANCIAL PERFORMANCE

- Total revenue for the year was Rs. 21,531.85 Lakhs as compared to Rs. 19,283.70 Lakhs in the previous year, Increased by 11.66%.
- Revenue from operations for the year was Rs.21,389.10 Lakhs as compared to Rs. 19,097.23 Lakhs in the previous year, Increased by 12%.
- Profit before tax for the year was Rs. 1,460.32 Lakhs as compared to Rs. 1,443.91 Lakhs in the previous year, Increased by 1.13%.
- Profit after tax for the year was Rs. 1,208.59 Lakhs as compared to Rs. 1,142.26 Lakhs in previous year in the previous year, increased by 5.81%

### SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. In Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020*
Revenue from Operations (Net)	21,389.10	19,097.23	21,372.01	19,097.23
Other Income	142.75	186.47	133.85	186.47
<b>Total Income</b>	<b>21,531.85</b>	<b>19,283.70</b>	<b>21,505.86</b>	<b>19,283.70</b>
<b>Profit before Interest, Depreciation &amp; Tax (EBIDTA)</b>	<b>2,595.93</b>	<b>2,562.92</b>	<b>2,609.43</b>	<b>2,562.92</b>
Less: Interest	383.38	428.90	392.76	428.90
Less: Depreciation	752.22	690.11	765.85	690.11
<b>Profit before Tax</b>	<b>1,460.32</b>	<b>1,443.91</b>	<b>1,450.82</b>	<b>1,443.91</b>
Less: (a) Current Tax	(276.59)	(247.93)	(276.65)	(247.93)
(b) Deferred Tax	24.86	53.73	24.11	53.73
<b>Net Profit for the Year</b>	<b>1,208.59</b>	<b>1,142.26</b>	<b>1,198.28</b>	<b>1,142.26</b>
<b>Add: Surplus brought forward from previous year</b>	<b>5,297.93</b>	<b>4,130.06</b>	<b>5,297.93</b>	<b>4,130.06</b>
Add: IND AS Impact	0.00	0.00	0.00	0.00
<b>Amount available for Appropriation</b>	<b>6,506.52</b>	<b>5,411.90</b>	<b>6,496.21</b>	<b>5,411.90</b>
<b>Appropriations:</b>				
Less: Dividend (Final/Interim)	177.26	94.54	177.26	94.54
Less: Dividend Distribution Tax (DDT)	0.00	19.43	0.00	19.43
<b>Net Surplus in the statement of Profit and Loss</b>	<b>6,329.25</b>	<b>5,297.93</b>	<b>6,318.95</b>	<b>5,297.93</b>
Total Other Equity (Brought Forward)	426.64	426.64	426.64	426.64
Appropriation for – Other Comprehensive Income (OCI)	(57.54)	(15.23)	(57.54)	(15.23)
<b>Total Other Equity (Carried Forward)</b>	<b>6,698.36</b>	<b>5,709.34</b>	<b>6,688.06</b>	<b>5,709.34</b>
Paid up Equity Share Capital	1,18,17,400	1,18,17,400	1,18,17,400	1,18,17,400
<b>EPS (Equity Shares of Rs. 10/- each) Basic &amp; Diluted (in Rs.)</b>	<b>10.22</b>	<b>9.67</b>	<b>10.14</b>	<b>9.67</b>

*\*Note: The Wholly Owned Subsidiary company was incorporated on 26th August, 2020, hence there were no consolidated figures for the previous year ended 31st March, 2020 as such, the figures were given in tabulation form only for the purposes to give presentation for previous year.*

## STATE OF THE COMPANY'S AFFAIRS & REVIEW OF OPERATIONS

The Company is carrying business of manufacturer, producers, processors, importers, exporters, buyers and sellers of FIBC, BOPP, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging etc. from its Plants located at Pithampur, District Dhar, (M.P.). The company is working in 2 (Two) Segments i.e. Manufacturing Segment and Trading Segment. In addition to that the Company is also having solar plant for captive consumption.

Further company has incorporated its wholly owned subsidiary (WoS) in the name and style Comsyn India Private Limited on 26th August 2020. Comsyn India Private Limited has established a project for manufacturing of Fabric and other related product with the installation of Extrusion Plant and Circular Looms. The commercial production of Comsyn India Pvt. Ltd. has already commenced w.e.f. 19th March, 2021 with the production capacity of 3100 MT per annum. The Company has presented the consolidated and standalone financial results as on the reporting date. Apart from this it is not having any associate or joint venture.

The Company propose to make capital investment of Rs. 1950.00 Lakhs for the purposes of Purchase of Property, Plant and Equipment, Repayment of Unsecured Loan, Long Term and Short Term Working Capital Requirement, General Corporate Purpose, Investment and providing loan(s) to subsidiary(s) etc. in the phased manner within a period of 18 months. The proposed investment is to be funded by way of issuance of 15,00,000 warrants of Rs. 130/- each convertible into equity shares of Rs. 10/- each at a premium of Rs. 120/- per share.

## IMPACT OF COVID

The outbreak of Corona Virus (Covid-19) Pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The company's operation and revenue in the first quarter of this financial year was impacted due to Covid-19. With the lifting of lockdown in phased manner by the government and local authorities the operation seems to be normalize and stable, with increase in operation cost.

The company has considered possible impact, if any due to the current second wave of the pandemic and selective lock down declared in different parts of the country. Based on the current indicators and future economic conditions, the company does not foresee any incremental risk regarding recoverability of assets and ability to service financial obligation.

## CREDIT RATING:

ICRA Limited vide their letter number ICRA/Commercial Syn Bags Limited/27082021/1 dated 27th August, 2021; have assigned the following ratings to the bank loan facilities of Rs. 86 Crores availed by the Company:

<b>Total Bank Loan Facilities Rated</b>	<b>Rs.86 Crore (Rs. Eighty Six Crores)</b>
<b>Long Term Rating</b>	<b>ICRA BBB+/Stable</b>
<b>Short-Term Rating</b>	<b>ICRA A2</b>

## DIVIDEND

Your Board of directors pleased to recommend a dividend @ 20% (Rs.2.00 per equity shares of Rs. 10/- each on 1,18,17,400 Equity Shares) for the Financial Year 2020-21 aggregating to Rs.236.34 Lakhs (Previous year @ 15% (Rs.1.50 per equity shares of Re. 10/- each aggregating to Rs.177.26 Lakhs).

Any Member of the company who wishes to relinquish their dividend rights to participate in the final dividend @ 20% (Rs.2.00) per share are requested to fill up the form as available on the website of the company [www.comsyn.com](http://www.comsyn.com) and send it to the Company Secretary of the company by way of email at [cs@comsyn.com](mailto:cs@comsyn.com) /[investors@comsyn.com](mailto:investors@comsyn.com) or [investor@bigshareonline.com](mailto:investor@bigshareonline.com) or by the Registered Post or by hand as the case may be.

The aforesaid final dividend if any approved by the members shall be payable to those members whose names appears in the records (subject to the consideration of the request for relinquishment of the rights for participate in the final dividend if any) of the depositories as on the cutoff date 23rd Sept., 2021.

Pursuant to Finance Act, 2020, dividend, if any, declared by the Company will be taxable in the hands of shareholders and the Company shall be required to deduct tax at source from dividend paid to shareholders at the prescribed rates under the Income Tax Act.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. In the preparation of the annual financial statements for the year ended March 31st, 2021, the applicable accounting standards have been followed;
- b. Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31st, 2021 and of the profit of the company for the year ended on that date;
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The annual financial statements have been prepared on a going concern basis;
- e. Proper internal financial controls were in place and the financial controls were adequate and operating effectively; and
- f. Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31st March, 2021 was Rs.1181.74 Lakhs divided into 1,18,17,400 equity shares of Rs.10/- each. During the year under review the Company has not issued equity shares or shares with differential voting rights or granted stock options or sweat equity.

Your directors pleased to inform that, the Board of directors at their meeting held on 4th Sept., 2021 has approved the matter related to Preferential issue of 15,00,000 Warrants of Rs. 130/- convertible into 15,00,000 equity shares of Rs. 10/- each issued at a premium of Rs. 120/- per share to the promoter and its group and to non-promoters selected investors which is subject to approval of members in the ensuing Annual General Meeting by way of Special Resolution and approvals as may be required from the BSE Ltd. and other concerning authorities as may be applicable. Details of the said preferential issue is provided in the Explanatory Statement of the Notice of the AGM.

The aggregated amount of the total issue price is Rs.1950.00 Lakhs out of which at least 25% of the amount will be received by the company as an upfront amount within 15 days from the date of passing of special resolution in the general meeting, subject to in-principle approval of the BSE Ltd.

## INCREASE IN THE AUTHORISED CAPITAL

Your Board proposes to increase in the Authorised Capital of the company from Rs.1300.00 Lakhs (Rs.Thirteen Crores only) divided into 1,30,00,000 (One Crore Thirty Lakhs) Equity shares of Rs. 10/- each to Rs.1500.00 Lakhs (Rs. Fifteen Crores Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity shares of Rs. 10/- each by creation of 20,00,000 (Twenty Lakhs) equity shares of Rs. 10/- each subject to approval of members in the ensuing Annual General Meeting.

## TRANSFER TO RESERVES

There is no mandatory requirement for transfer of the profits to the general reserves, therefore to provide an open ended opportunity to utilize the profits towards the Company activities, during the year under review the Board have not considered appropriate to transfer any amount to the general reserves or any other reserves. (Previous year Nil)

## FINANCE

Cash and cash equivalent of the Company as at 31st March, 2021 is Rs.237.75 Lakhs (Previous year Rs.35.74 Lakhs). Your Company continues to focus on management of its working capital. Receivables, inventories and other working capital parameters are kept

under continuous monitoring. Your company has availed the various credit facilities from the Bankers of the Company for short term and long-term financial requirements from time to time.

## DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2021. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

S.No.	Particulars	Amt in Rs.
1.	Details of Deposits accepted during the year	Nil
2.	Deposits remaining unpaid or unclaimed at the end of the year	Nil
3.	Default in repayment of deposits At the beginning of the year Maximum during the year At the end of the year	N.A.
4.	Deposits not in compliance with law	N.A.
5.	NCLT/ NCLAT orders w.r.t. depositors for extension of time and penalty imposed	N.A.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the period under review, the company has made investment and provided loans and guarantees to Comsyn India Pvt. Ltd., the Wholly Owned Subsidiary of the Company as well as other body corporate which is within the limit as prescribed under the provisions section 186 of the Companies Act, 2013. Details of the Loans and investment made by the company in other Body Corporate has been given in the financial statements attached with the Annual Report. Further, your company has not given security to any other body corporate during the period under review.

Further, your company is proposing to sanction the limit of section 186 of the Companies Act, 2013 to Rs. 100.00 Crores in the ensuing Annual General Meeting of the company for authorizing Board of Directors for granting loans, security and guarantee to other Body Corporate.

## CSR INITIATIVES

In view of the profits, your Company is required to undertake “Corporate Social Responsibility (CSR) activities during the year 2020-21 as required under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under CSR the Company has carried various activities, which are in accordance with CSR Policy of the Company read with the Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as “Annexure A”.

## OCCUPATIONAL HEALTH & SAFETY (OH&S)

This initiative involved positive engagement of personnel on the plant at every level. With regard to contractor safety, two key areas of focus were identified, namely Facility Management for the contractors’ employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for contract labor such as washrooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management Program ensured that the tools used by contractors were safe. The process of screening of contractors was made more stringent to ensure that the contractors were aligned with the Company’s objectives to ensure ‘Zero Harm’.

## 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 at the workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 (“SHOW”). As per the requirement of the SHOW and Rules made thereunder, your company has constituted Internal Complaints Committees (ICC). All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Internal Complaints Committee comprises of the following:

- Smt Ranjana Choudhary : Chairperson
- Ms. Harsha Mankar : Member
- Ms. Priyanshi Acharya : Member (joined w.e.f. 5th June, 2021)
- Ms. Palak Jaiswal : Member (ceased w.e.f. 18th February, 2021)

Statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under: -

Category	No. of complaints pending at the beginning of F.Y. 2020-21	No. of complaints filed Field during the F.Y. 2020-21	No. of complaints disposed off during the F.Y. 2020-21	No. of complaints Pending as at the end of F.Y. 2020-21
Sexual Harassment	Nil	Nil	Nil	Nil

Since, no complaint is received during the year which is appreciable as the management of the company endeavor to provide safe environment for the female employees of the company.

#### RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY

The Company is operating in manufacturing and trading of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/ Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging etc. The major risks factors involved in the manufacturing and trading process is constantly maintaining high quality standards, fluctuations in the price of raw materials, risks from international competitors, fluctuations in currency rates, etc. Other than this, the Government Policy, local area authority, Taxation Policy may adversely affect the profitability of the Company subject to various process and clearance etc. as may be decided by the concerning State Government. Further, general market conditions relating to the demand, supply, and price relating to the products of the company also affect the business operations of the Company.

#### INTERNAL FINANCIAL CONTROL & ITS EFFECTIVENESS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has appointed Internal Auditors and the scope and authority of the Internal Audit (IA) function is defined in the procedure and appointment letter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

Based on the report of internal audit and process the company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon, if any, are presented to the Audit Committee of the Board.

#### VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are annexed to the Board Report as “Annexure B” and are also posted on the website of the Company. ([http://www.comsyn.com/wp-content/uploads/2017/10/CSBL\\_Vigil-Mechanism-Whistle-Blower-Policy.pdf](http://www.comsyn.com/wp-content/uploads/2017/10/CSBL_Vigil-Mechanism-Whistle-Blower-Policy.pdf))

#### PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES:

Your company have only one Wholly Owned Subsidiary (WOS) incorporated in the name and style of Comsyn India Private Limited on 26th August, 2020 which is having project for manufacturing of Fabric and other related product with the installation of Extrusion Plant and Circular Looms. The commercial production of this subsidiary was commenced w.e.f. 19th March, 2021 with the production capacity of 3100 MT per annum. Apart from this there is no other associate or joint venture. Pursuant to provisions of Section 129(3) of the Companies Act, 2013 a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is annexed herewith as “Annexure-C”.

#### BOARD OF DIRECTORS, THEIR MEETINGS & KMPs

### Constitution of the Board

The Board of directors are comprising of total 6 (Six) Directors, which includes 3 (Three) Independent and 1 (One) Women director. The Chairman of the Board is also Promoter and Managing Director. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision-making process and provide guidance to the executive management to discharge their functions effectively.

### Board Independence

Our definition of 'Independence' of Directors or Regulation is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having total 6 directors in the Board out of them the following directors are independent directors during the period under review:

1. Shri Hitesh Mehta
2. Shri Milind Mahajan
3. Shri Chintan Pushpraj Singhvi till 27th November, 2020
4. Shri Vijay Kumar Bansal w.e.f. 14th February, 2021

The Independent Directors were appointed for a term of 5 (five) consecutive years, who shall be eligible for re-appointment for a second term by passing of a special resolution by the members of the Company and shall not be liable to retire by rotation.

### Declaration by the Independent Directors

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. Your Board of directors is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2020-21. All the Independent Directors have also registered themselves with Independent Directors' Databank.

The Independent Directors have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act. Further as per the provisions of Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 the directors are not aware of any circumstance or situation, which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence and that they are independent of the management.

### Directors seeking appointment/re-appointment in the ensuing General Meeting:

In the ensuing AGM, the Board of Directors is proposing the following appointment/re-appointment as set out in the notice of AGM:-

- 1) Confirmation for appointment of Shri Vijay Kumar Bansal (DIN No: 09002441) as a Director in the category of Independent Director for a First Term of 5 (Five) Consecutive years w.e.f. 14th February, 2021 not liable to retire by rotation;
- 2) Re-appointment of Shri Milind Mahajan, (DIN: 00155762) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 10th May, 2022 by passing Special resolution not liable to retire by rotation;
- 3) Re-appointment of Smt. Ranjana Choudhary (DIN: 03349699) as a Whole-time Director for a further period of 5 years w.e.f. 1st June, 2022 liable to retire by rotation.

### Directors liable to retire by rotation seeking re-appointment:

Shri Virendra Singh Pamecha (DIN:07456367) Whole-time Director, is liable to retire by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment. Your directors recommend to pass necessary resolution.

### Executive Directors and Key Managerial Personnel and their changes

Shri Anil Choudhary, Chairman & Managing Director, Smt. Ranjana Choudhary and Shri Virendra Singh Pamecha, Whole-time Directors, Shri Ravindra Choudhary, CEO, Shri Abhishek Jain, CFO and CS Sandeep Patel, Company Secretary & Compliance Officer, have been categorized as Key Managerial Personnel within the meaning of section 203 of the Companies Act, 2013.

During the Financial Year 2020-21, there was no changes in the Directors and Key Managerial Personnel (KMP) except the following:

1. Resignation tendered by CS Anamika Gupta, from the post of Company Secretary & Compliance Officer w.e.f. 15th July, 2020;
2. Appointment of CS Sandeep Patel as Company Secretary & Compliance Officer and designated as the KMP of the company w.e.f. 16th July, 2020;
3. Re-appointment of Shri Virendra Singh Pamecha, as a Whole-time Director for a further term of 5 years w.e.f. 26th March, 2021;
4. Re-appointment of Shri Anil Choudhary as a Chairman and Managing Directors for a further term of 5 years w.e.f. 20th February, 2021;
5. Re-appointment of Mr. Chintan Pushpraj Singhvi as an Independent Director for a second term of 5 (Five) consecutive term of w.e.f. 30th November, 2020 in the AGM held on 29th Sept., 2020;
6. Resignation of Mr. Chintan Pushpraj Singhvi Independent Director w.e.f. 27th November, 2020 due to other occupancy in other professional capacity;
7. Appointment of Mr Vijay Kumar Bansal as an Additional Director in the capacity of Independent Director w.e.f. 14th February 2021.

### Meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business:

The notice of Board meetings is given well in advance to all the Directors. Meetings of the Board are held in Indore, at the Registered Office of the Company. The Agenda of the Board/Committee meetings alongwith the relevant Board papers is circulated at least a week prior to the date of the meeting. However, in case of urgent business needs, notice & agenda of Board/Committee meetings were circulated on shorter notice period with consent and presence of Independent Directors at the Meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **8 (Eight)** times in the Financial Year 2020-21 viz., 29th June 2020; 15th July, 2020; 28th August, 2020; 2nd September, 2020; 3rd November, 2020; 30th November, 2020; 2nd January, 2021 and 13th February, 2021. The maximum interval between any two meetings did not exceed 120 days except for the first meeting which was held on 29th June, 2020 was within a period of 180 days from the previous meeting held on 1st February, 2020 as per the general extension granted by the MCA and SEBI through various circulars.

### Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 3rd November, 2020 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

### COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), is uploaded on company's website –(<http://comsyn.com/wp-content/uploads/2018/08/RevisedNOMINATION-AND-REMUNERATION-POLICY-2-1.pdf>)

### Annual evaluation by the Board

The evaluation framework for assessing the performance of directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings.

- ii. Quality of contribution to Board deliberations.
- iii. Strategic perspectives or inputs regarding future growth of company and its performance.
- iv. Providing perspectives and feedback going beyond the information provided by the management.
- v. Commitment to shareholder and other stakeholder interests.

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of directors. A member of the Board will not participate in the discussion of his/her evaluation.

### COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and other purposes the Board has the following **Five (5)** committees:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders' Relationship Committee;
- (d) Corporate Social Responsibility Committee (CSR);
- (e) Corporate Compliance Committee;

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this report.

### RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year 2020-21 were on Arm's Length Basis and were in the Ordinary Course of business. There are certain material related party transactions after taking prior approval of members in the Annual General Meeting held on 29th September, 2020 with certain persons and the company is enclosing **Form AOC-2** as "**Annexure D**" in this Board Report.

All Related Party Transactions were approved by the Audit Committee on omnibus basis or otherwise and also by the Board and for certain items the company has taken specific approval of members in the respective meetings. The Company has Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

Further, your Board of Directors is further proposing to pass an ordinary resolution u/s 188(1)(f) of the Companies Act, 2013 for increase in the remuneration payable to Shri Ravindra Choudhary, CEO and Shri Pramal Choudhary, COO for enhancing the existing salary and benefits details of the same is enclosed in the Notice of AGM.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

### AUDITORS, THEIR REPORT AND COMMENTS BY THE MANAGEMENT

#### Statutory Auditors

M/s Avinash Agrawal & Co., Chartered Accountants, (ICAI Firm Registration No. 022666C), the Statutory Auditors were appointed for a term of consecutive 5 (Five) years at 35th Annual General Meeting of the Company held on 18th September, 2019 till the 40th Annual General Meeting of the company to be held in the calendar year 2024 at such remuneration as may be approved by the Audit Committee and Board of Directors of the company as per the provisions of section 139 of the Companies Act, 2013, as required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board.

#### Secretarial Auditors

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014, the company has appointed M/s Ishan Jain & Co., Practicing Company Secretaries (Firm Reg. No. S2021MP802300; FCS 9978; CP 13032) to undertake the Secretarial Audit for the year, 2020-21. The Report of the Secretarial Auditors in the **Form MR-3** is annexed herewith as “**Annexure E**” of this report. Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board, except that:

- 1) *Some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;*

**Management Comments:** There was delay in filing of the particulars some forms with ROC due to technical reasons and company has already complied with the same and has filed those Forms and paid additional filing fee as prescribed. Therefore, there is no default as such and same has been considered as compliance under the relevant provisions of the Companies Act, 2013.

- 2) *Rs. 76.38 Lakhs is the un-spent amount as at 31st March, 2021 towards Corporate Social Responsibility by the company as required under section 135 of the Act.*

**Management Comments:** Company could not spend the remaining balance amount as the Company has undertaken a project related to education and the company has transferred the said amount of Rs. 76.38 Lakhs in the separate bank account of the as required under the Companies (CSR) Rules as amended from time to time and the company will spend the said balance for the ongoing projects within the stipulated time.

- 3) *Pravi Investments LLP a person acting in concert with Super Sack Pvt. Ltd. (One of the Promoter of the Company) has acquired 72,763 equity shares of Rs. 10/- each, about 0.62%; and Super Sack Pvt. Ltd. (being the promoter) has also acquired 93,820 equity shares of Rs. 10/- about 0.80% of the total paid up share capital of the Company during the year 2020-21 without complying with the Regulation 5 of SEBI (PIT) Regulations, 2015 relating to submission of Trading Plans and matters related thereto, however, pre clearance approval was given by the compliance Officer under SEBI (PIT) Regulations, 2015.*

**Management Comments:** Pravi Investment LLP and Super Sack Pvt Ltd has acquired shares in the year 2020-20 as a long term investment and they are not involved in any trading activities in the shares of the company. Therefore, they are not required to submit Trading Plan to the Company and Stock Exchange and they have complied with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to the Trading Plan.

The Board of Directors at their Meeting held on 16th June, 2021, have re-appointed M/s Ishan Jain & Co., Practicing Company Secretaries to undertake the Secretarial Audit for Financial Year 2021-22.

### Cost Auditors and Records

Your Company is not required to appoint a Cost Auditor for the year 2020-21 as per the Rule 1 of Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. However, the company has maintained the Cost Records as per the Companies (Cost Records and Audit) Rules, 2014.

### DISCLOSURE FOR FRAUDS REPORTED BY THE AUDITORS

As per the provisions of section 134(3) of the Companies Act, 2013 read with Rule 13(4) of the Companies (Audit and Auditors) Rules, 2014 no frauds were reported by the Auditors to Audit Committee/Board during the year under review. Further that there were no frauds committed against the Company and persons which are reportable under section 141(12) by the Auditors to the Central Government.

### CORPORATE GOVERNANCE

Your Company firmly believes and adopts the highest standard of practice under Corporate Governance. A separate section on Corporate Governance and a certificate obtained from Auditors of the Company and Practicing Company Secretary related Disqualification of Directors form part of Corporate Governance Report.

### CODE OF CONDUCT

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors

and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same is hosted on the website of the company at following link. ([http://www.comsyn.com/wp-content/uploads/2017/10/CSBL\\_Code-of-Conduct-for-BODKMPs-Senior-Management\\_.pdf](http://www.comsyn.com/wp-content/uploads/2017/10/CSBL_Code-of-Conduct-for-BODKMPs-Senior-Management_.pdf))

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder read with Indian Accounting Standards, specified under the Companies (Indian Accounting Standards) Rules, 2015, the consolidated financial statements of the Company as at and for the year ended 31st March, 2021, forms part of the Annual Report.

## 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, is annexed herewith as “Annexure F”.

## ANNUAL RETURN

In compliance with the provisions of Section 92 of the Companies Act, 2013, the Annual Return of the Company for the financial year ended 31st March, 2021 has been uploaded on the website of the Company and the web link of the same <https://comsyn.com/wp-content/uploads/2021/09/Annual-Return-2020-21.pdf>

## RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE’S REMUNERATION AND PARTICULARS OF EMPLOYEES

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in the Annexure G.

During the year, none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum, or Rs. Eight Lakhs Fifty Thousand per month for the part of the year, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

## INDUSTRIAL RELATIONS

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

## PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company and amended Code/Policy were also hosted on the website of Company.

The Code requires Trading Plan, pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

## FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has in place a Familiarization Program for Independent Directors to provide insights into the company to enable the Independent Directors to understand its business in depth and contribute significantly to the company's success. The Company has devised and adopted a policy on Familiarization Program for Independent Directors and is also available at the company's website at [www.comsyn.com](http://www.comsyn.com).

## PROVISION OF VOTING BY ELECTRONIC MEANS THROUGH REMOTE EVOTING AND EVOTING AT THE AGM:

Your Company is providing E-voting facility including remote e-voting and e-voting at AGM under section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015. The details regarding e-

voting facility including remote e-voting and e-voting at AGM is being given with the notice of the Meeting.

Further, In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2021 dated 8th April,

2021, Circular No.17/2021 dated 13th April, 2021 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2021 dated 5th May, 2021, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) is to be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members are requested to attend and participate in the ensuing AGM through VC/OAVM only.

### CAUTIONARY STATEMENT

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

### GENERAL:

Your Directors state that during the year under review:

- a. The Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme;
- b. The company has not filed any application or there is no application or proceeding pending against the company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review;
- c. There is no requirement to conduct the valuation by the bank and no Valuation done at the time of one-time Settlement during the period under review;
- d. Neither the Managing Director nor the Whole-time Directors receive any remuneration or commission from its subsidiary.
- e. The Company has complied with the applicable Secretarial Standards under the Companies Act, 2013.
- f. There is no change in control and nature of business activities during the period under review
- g. There is no transfer of business during the period under review.

### ACKNOWLEDGEMENTS

Your Directors thanks the various Central and State Government Departments, Organizations and Agencies and bankers to the Company for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of all other stakeholders of the Company viz. customers, members, dealers, vendors, and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**Place :** Indore

**Date :** 04th September, 2021

**For and on behalf of the Board**

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

## “Annexure-A”

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

## 1. A brief outline on CSR Policy of the Company.

Commercial Syn Bags Limited ("The Company"), we are constantly aware of our role in society, as that of a mentor and a builder of the lives of the peoples of our society, and therefore, its future. Hence, as a corporate entity, we at the Company strive at every stage to integrate the larger economic, environmental and social objectives with our core operations and growth. We endeavor to evolve our relationship with all our stakeholders for the common good and validate our commitment in this regard by adopting appropriate business processes and strategies.

## 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Anil Choudhary	Chairman / Managing Director	2	2
2	Shri Hitesh Mehta	Member/ Independent Director	2	2
3	Smt. Ranjana Choudhary	Member/ Whole Time Director	2	2

3. **Web-link** where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://comsyn.com>

4. **Details of Impact assessment of CSR projects** carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.: N/A

5. **Details of the amount available for set off** in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs.)
1.	NA	Nil	Nil

## 6. Average Net Profit of the Company as per section 135(5): Rs. 1281.12 Lacs

7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 25.62 Lacs**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Rs. 54.18 Lakhs**  
 (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 79.80 Lakhs

## 8. a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.): Nil				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3.43 Lakhs	76.38 Lakhs	30/04/2021	NA	NA	NA

**b) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in Lakhs).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR account for the project as per Section 135(6) (in Rs.).	Mode of Implementation-Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Reg. No.
	School Project	Schedule-VII Item No.- (ii) Promoting education	Yes	MP	Dhar	3 years	100.00	0.05	76.38	No	Comsyn Foundation	N.A.

**c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs. In Lakhs).	Mode of implementation-Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1.	Upliftment of Tribal Population	Schedule- VII Item No.- (iii) (Measures for reducing inequalities faced by socially and economically backward groups)	Yes	Indore	MP	0.45	No	Shri Hari Satsang Samiti	-
2.	Contribution to Prime Minister Cares Fund	Schedule- VII Item No.- (viii) PM cares fund	Yes	NA	NA	0.05	Yes	NA	NA
3.	Upliftment of Tribal Population	Schedule- VII Item No.- (iii) (Measures for reducing inequalities faced by socially and economically backward groups)	Yes	Indore	MP	2.42	No	Friends of Tribal Society	-
4.	For education of helpless child and other facilities	Schedule- VII Item No.- (ii) Promoting education	Yes	Indore	MP	0.21	No	Seva Bharti	-
5.	Distribution of PPE Kit & Mask	Schedule- VII Item No.- (i)	Yes	Indore	MP	0.25	Yes		
	<b>TOTAL</b>					<b>3.38</b>			

**Note:** all the spending is done prior to commencement of the CSR Amendments rules. Hence, CSRIN is not applicable.

- d) Amount spent in Administrative Overheads.: Nil  
 e) Amount spent on Impact Assessment, if applicable.: NA  
 f) Total amount spent for the Financial Year (8b+8c+8d+8e).: Rs. 3.43 Lakhs  
 g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 25.62 Lacs
(ii)	Total amount spent for the Financial Year	Rs. 3.43 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl No.	Preceding Financial Year	Amount transferred to Unspent CSR account u/s 135(6)	Amount Spent in the reporting Financial Year	Amount transferred to any fund specified under schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the funds	Amount (in Rs.)	Date of Transfer	
1	2019-20	0.00	0.00	NA	0.00	NA	21.06
2	2018-19	0.00	0.00	NA	0.00	NA	16.47
3	2017-18	0.00	0.00	NA	0.00	NA	15.40
4	Prior years to 2017-18	0.00	0.00	NA	0.00	NA	1.25

Note\* the Company has decided on its Board Meeting held on 13th February, 2021 have approved a project as a multi-year on-going project on Promoting Education (Item from the list of activities in Schedule VII to the Act) and transfer the said amount to Unspent CSR amount 2020-21 as per the CSR Amendment Rules, 2021

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (Rs. In Lakhs)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed/ Ongoing
1.	NA	School Project	2020-21	3 years	100.00	0.05	0.05	On Going
	TOTAL				100.00	0.05	0.05	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- Date of creation or acquisition of the capital asset(s): NA
  - Amount of CSR spent for creation or acquisition of capital asset.: NA
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA
11. Reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The company has identified a project in which the company will incur CSR expenses. Since, the said project is long term in nature due to which the company could not spend the amount.

Place : Indore

Date : 04th September, 2021

For and on behalf of the Board

Anil Choudhary  
 Chairman & Managing Director  
 DIN : 00017913

## “Annexure-B”

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

[Under Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

**1. PREFACE**

- 1.1 Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2 In the draft Rules under Companies Act, 2013, among others, a company which has borrowed money from banks and public financial institutions in excess of Rs.50 crores need to have a vigil mechanism.
- 1.3 Under these circumstances, **COMMERCIAL SYN BAGS LIMITED**, being a Limited Company proposes to establish a Whistle Blower Policy/Vigil Mechanism and to formulate a policy for the same.

**2. DEFINITIONS**

- 2.1 “Alleged wrongful conduct” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- 2.2 “Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Companies Act, 2013.
- 2.3 “Board” means the Board of Directors of the Company.
- 2.4 “Company” means the company, “Commercial Syn Bags Ltd” and all its offices.
- 2.5 “Code” means Code of Conduct for Directors and Senior Management Executives adopted by Commercial Syn Bags Ltd.
- 2.6 “Employee” means all the present employees and Whole Time Directors of the Company (Whether working in India or abroad).
- 2.7 “Protected Disclosure” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 2.8 “Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 2.9 “Vigilance and Ethics Officer” means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 2.10 “Whistle Blower” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

**3. POLICY OBJECTIVES**

- 3.1 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism

provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

- 3.2. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

#### **4. SCOPE OF THE POLICY**

- 4.1. This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

#### **5. ELIGIBILITY**

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

#### **6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.**

- 6.1. All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.
- 6.2. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scripted as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower policy”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- 6.3. Anonymous/Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 6.4. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer/Chairman of the Audit Committee/ CEO/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 6.5. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ CEO/ Chairman in exceptional cases. The contact details of the Vigilance and Ethics Officer;

Shri Hitesh Mehta

Chairman of the Audit Committee

Email: hitesh1950@gmail.com

- 6.6. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman/ CEO of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman, CEO and the Chairman of the Audit Committee are as under:

Chairman & Managing Director

Shri Anil Choudhary

Email: anil@comsyn.com

Chief Executive Officer (CEO)

Shri Ravindra Choudhary

Email: ravi@comsyn.com

Chairman of the Audit Committee

Shri Hitesh Mehta (Independent Director)

Email: hitesh1950@gmail.com

- 6.7. On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ CEO / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:
- Brief facts;
  - Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
  - Whether the same Protected Disclosure was raised previously on the same subject;
  - Details of actions taken by Vigilance and Ethics Officer / Chairman/ CEO for processing the complaint
  - Findings of the Audit Committee
  - The recommendations of the Audit Committee/ other action(s).
- 6.8. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

## **7. INVESTIGATION**

- All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

## **8. DECISION AND REPORTING**

- If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or

unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

- 8.2. The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 8.3. In case the Subject is the Chairman/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **9. SECRECY/CONFIDENTIALITY**

- 9.1. The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
  - 9.1.1. Maintain confidentiality of all matters under this Policy
  - 9.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
  - 9.1.3. Not keep the papers unattended anywhere at any time
  - 9.1.4. Keep the electronic mails / files under password.

## **10. PROTECTION**

- 10.1. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 10.2. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 10.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.
- 10.4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10.5. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in

good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules/ certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

**11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

**12. COMMUNICATION**

A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

**13. RETENTION OF DOCUMENTS**

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

**14. AMENDMENT**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

## “Annexure-C”

**FORM AOC-1**

(Pursuant to first proviso 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 as on 31.03.2021**
**Part “A”: Subsidiaries**

S. No.	Name of Subsidiary	Comsyn India Pvt. Ltd.
1	The date since when subsidiary was acquired (Incorporated)	26.08.2020
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
4	Paid up share capital	15.00
5	Reserves & surplus	(7.06)
6	Total assets	1424.56
7	Total Liabilities	1416.62
8	Investments	NIL
9	Turnover including other income	59.90
10	Profit/(Loss) before taxation	(6.27)
11	Provision for taxation	NIL
12	Profit/(Loss) after taxation	(7.06)
13	Proposed Dividend	0.00
14	Extent of shareholding (in percentage)	100%

- Names of subsidiaries which are yet to commence operations: Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

**Part “B”: Associates and Joint Ventures**

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

**NOT APPLICABLE -**

The Company does not have any Associates and Joint Ventures as on 31st March, 2021.

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

**Place: Indore**  
**Date : 04th Sept, 2021**

“Annexure-D”

**Form AOC-2****Particulars of contracts/arrangements entered into by the Company with related parties -**

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

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

**1. Details of contracts or arrangements or transactions not 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	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
			NIL				

**2. Details of material contracts or arrangement 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 (in `) paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)
Shri Pramal Choudhary – Relative of Shri Anil Choudhary, Chairman and Managing Director	Remuneration by way of salary & perquisites.	Long Term	Shri Pramal Choudhary is having position of Chief Operating Officer and members has approved the remuneration of Rs. 3.50 Lakhs p.m. in their meeting held on 18 <sup>th</sup> Sept., 2019	By Board on 22 <sup>nd</sup> August, 2019 and Members approval on 18 <sup>th</sup> Sept., 2019	0.00

**For and on behalf of the Board****Place :** Indore**Date :** 04th September, 2021
**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

“Annexure-E”

**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021**

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

To,  
 The Members,  
**Commercial Syn Bags Limited,**  
 Commercial House,  
 3-4, Jaora Compound  
 M.Y.H. Road, Indore M.P. 452001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Commercial Syn Bags Limited** (hereinafter called (“the Company”). The 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, Minutes 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, the explanations and clarifications given to us and representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and SEBI warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial year ended 31st March, 2021 (“Audit Period”) 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:

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, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and By-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, [Overseas Direct Investment and External Commercial Borrowings not applicable to the Company during the Audit Period];
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): —
  - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
  - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
  - (c) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (ii) Provisions of the following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company under the financial year under report: -
  - (a) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (b) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (c) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
- (e) The SEBI (Buyback of Securities) Regulations, 1998.
- (vi) The Company is having business of manufacturing of FIBC, PP Fabric, Woven sacks & Tarpaulin, Trading Activities and Generation of the Solar Energy (for Captive consumption) therefore, as such no specific law relating to its manufacturing and business activities are applicable to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015 as amended from time to time.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following: -

- (1) Some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;
- (2) Rs. 76.38 Lakhs is the Un-spent amount as at 31st March, 2021 towards Corporate Social Responsibility by the company as required under section 135 of the Act.
- (3) Pravi Investments LLP a person acting in concert with Super Sack Pvt. Ltd. (One of the Promoter of the Company) has acquired 72,763 equity shares of Rs. 10/- each, about 0.62%; and Super Sack Pvt. Ltd. (being the promoter) has also acquired 93,820 equity shares of Rs. 10/- about 0.80% of the total paid up share capital of the Company during the year 2020-21 without complying with the Regulation 5 of SEBI (PIT) Regulations, 2015 relating to submission of Trading Plans and matters related thereto, however, pre clearance approval was given by the compliance Officer under SEBI (PIT) Regulations, 2015.

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. Further that, during the period under review following changes occurred in the Directorship and KMPs of the company: -

- 1. Re-appointment of Shri Virendra Singh Pamecha (DIN:07456367) as a Whole-time Director & KMP for a further period of 5 (Five) Years w.e.f. 26th March, 2021;
- 2. Re-appointment of Shri Anil Choudhary (DIN:00017913) as the Chairman and Managing Director for a further period of 5 (Five) Years w.e.f. 20th February, 2021;
- 3. Re-appointment of Shri Chintan Pushpraj Singhvi (DIN:07334755) as the Independent Director for a term of 5 (Five) consecutive years w.e.f. 30th November, 2020;
- 4. Resignation of Shri Chintan Pushpraj Singhvi (DIN: 07334755) from the Directorship of the company w.e.f. 27th November, 2020;
- 5. Appointment of Shri Vijay Kumar Bansal (DIN: 09002441) as the Independent Director w.e.f. 14th February, 2021;
- 6. Resignation of CS Anamika Gupta, Company Secretary and Compliance Officer w.e.f. 15th July, 2020;
- 7. Appointment of CS Sandeep Patel, as the Company Secretary and Compliance Officer w.e.f. 16th July, 2020.

Adequate notice was given to all the directors to schedule the Board Meetings and agenda were also sent at least seven days in advance and the consent was taken where required for meeting held shorter notice, if required 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. All decisions at Board Meetings and Committee Meetings are carried out

unanimously as recorded in the minutes of the meetings of the Board of directors and Committee of the Board.

Based on the records and process explained to us for compliances under the provisions of other specific Acts applicable to the Company, 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 the compliance by the Company for the applicable taxation Laws like Direct Taxes, Indirect Taxes and the compliance of the IND-AS, disclosure of the financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith have not been reviewed, since the same have been subject to the statutory financial auditor or by other designated professionals.

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

**We further report that** during the audit period of the Company has certain specific events which have bearing on company's affairs which are as follows:-

- 1) The operation at manufacturing units at Pithampur were carried with reduced workforce since 28th March, 2020. Administrative office at Pithampur and the Registered Office at Indore were also in working with reduced staff during this pandemic period till 1st June, 2020.

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**For, Ishan Jain & Co.**  
Company Secretaries  
FRN No. S2021MP802300

**UDIN:** F009978C000756339  
**Place:** Indore  
**Date:** 09th August, 2021

**CS Ishan Jain**  
Proprietor  
FCS:9978: CP :13032  
Peer Review: 842/2020

**Annexure - I to the Secretarial Audit Report**

To,  
The Members,  
**Commercial Syn Bags Limited,**  
Commercial House,  
3-4, Jaora Compound  
M.Y.H. Road, Indore M.P. 452001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the Management representation and also relied about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they needs to take independent advise or decision as per their own satisfaction.
8. We have relied on electronic/soft copies of documents as produced for verification of compliances of various laws due to the COVID-19 Pandemic. However, the Company Secretary and CFO of the Company has visited to our office and has provided necessary information and explanation as was desired by us.

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**For, Ishan Jain & Co.**  
Company Secretaries  
FRN No. S2021MP802300

**UDIN:** F009978C000756339  
**Place:** Indore  
**Date:** 09th August, 2021

**CS Ishan Jain**  
Proprietor  
FCS:9978: CP :13032  
Peer Review: 842/2020

“Annexure-F”

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

*[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]*

	(A) CONSERVATION OF ENERGY			
(I)	the steps taken or impact on conservation of energy;	The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. The Company is utilizing latest machinery to save the power consumption. It is using the Air Ventilators for reducing the temperature naturally at the work place. The Company is captively using wastage generated from its manufacturing process by reprocessing the same and thereby contributing to the environment		
(II)	the steps taken by the company for utilizing alternate sources of energy;	The Company had already installed the Solar Power Generating System and the electricity generated at the Solar Power Plant is captively used by the Company at its manufacturing unit. It results in reduction of power cost and increase in efficiency. During this year 18.61 Lakhs units of electricity were generated from this plant. The Company has also installed roof top Solar Power Generating System of 247.95 KW at the expansion project of Unit – II for captive consumption. During this year 2.06 Lakhs units of electricity were generated from this plant (from September, 2020 to March, 2021)		
(III)	the capital investment on energy conservation equipment's	Nil		
(B)	TECHNOLOGY ABSORPTION			
(I)	the efforts made towards technology absorption	The Company always adopts the latest technology while purchasing the plant and machinery. The Company is making continuous efforts for the technological advancement.		
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It has reduced the cost of production and helped in improvement in quality to sustain in the competitive market.		
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A.		
	(a) the details of technology imported	N.A.		
	(b) the year of import	N.A.		
	(c) whether the technology been fully absorbed	N.A.		
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.		
(iv)	the expenditure incurred on Research and Development		2020-21 Nil	2019-20 Nil
(D)	FOREIGN EXCHANGE EARNINGS AND OUTGO		2020-21 Rs. in Lakhs	2019-20 Rs. in Lakhs
(i)	The Foreign Exchange earned in terms of actual inflows during the year;		15897.56	13980.87
(ii)	And the Foreign Exchange outgo during the year in terms of actual outflows.		1192.65	2065.40

**For and on behalf of the Board**

Place : Indore

Date : 04th September, 2021

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

## “Annexure-G”

**Particulars of Remuneration of Directors and Employees**
*[As per section 197(12) read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*
**i. Ratio and remuneration of Directors & KMPs**

S.No.	Name	Designation	Remuneration for the year 2020-21 (Rs.)	Remuneration for the year 2019-20 (Rs.)	% Increase in Remuneration	Ratio Between Director or KMP and Median Employee
1.	Shri Anil Choudhary	CMD	40,37,500	36,00,000	12.15%	40.05:1
2.	Smt Ranjana Choudhary	WTD	13,00,000	12,00,000	8.33%	12.90:1
3.	Shri Virendra Singh Pamecha	WTD	12,40,000	11,67,000	6.25%	12.30:1
4.	Shri Hitesh Mehta	ID	52,000	32,000	N.A	N.A
5.	Shri Milind Mahajan	ID	30,000	22,000	N.A	N.A
6.	Shri Chintan Singhvi*	ID	0.00	4,000	N.A	N.A
7.	Shri Vijay Kumar Bansal*	ID	0.00	0.00	N.A	N.A
8.	Shri Ravindra Choudhary	CEO	25,87,499	25,50,000	1.47%	29.55:1
9.	Shri Abhishek Jain	CFO	9,62,788	10,20,000	-5.6%	9.55:1
10.	Smt Anamika Gupta*	CS	1,70,973	3,17,576	N.A	N.A
11.	Shri Sandeep Patel*	CS	2,17,266	0.00	N.A	N.A

\* Shri Chintan Singhvi Independent Director has resign w.e.f 27th November, 2020.

\* Shri Vijay Kumar Bansal Independent Director was Appoint w.e.f. 14th February, 2021.

\* Smt Anamika Gupta (CS) has resign w.e.f 15th July., 2020. Therefore, the remuneration is not comparable.

\* Shri Sandeep Patel (CS) was Appoint w.e.f. 16th July, 2020. Therefore, the remuneration is not comparable

**ii. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –**

As stated above in item no. (I).

**iii. Percentage decrease in the median remuneration of employees in the financial year –:**

The remuneration of Median employee was Rs. 1,00,800 during the year 2020-21 as compared to Rs. 86,292 in the previous year. The increase in the remuneration of Median Employee was 16.81% during financial year under review.

**iv. Number of permanent employees on the rolls of company –**

As on 31st March, 2021 the total number of employees on roll was: 2487.

**v. 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:**

Based on Remuneration Policy of the Company, salary of the employees was increased around 8.12% on an average and managerial remuneration was increased as per point no. (i), this is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.

**vi. Affirmation that the remuneration is as per the remuneration policy of the company:**

The Company affirms that remuneration is as per the remuneration policy of the Company.

**vii. Particulars of the top 10 employee in respect of the remuneration drawn during the year 2020-21 are as under.**

S. No.	Name of Employee	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager	Remarks
1	Shri Anil Choudhary	Chairman & Managing Director	40,37,500	On contractual basis	B.Sc., M.A., Diploma in Marketing Management (DMM) 36 Years	Since Incorporation of the Company	61 Years	-	Relative of Shri Pramal Choudhary COO	-
2	Shri Pramal Choudhary	Chief Operating Officer	34,62,500	Permanent	MBA, 10 years	01.03.2010	33 Years	-	Relative of Shri Anil Choudhary, CMD;	-
3	Shri Ravindra Choudhary	Chief Executive Officer	25,87,499	Permanent	Diploma in Finance & Tax Management and Diploma in Import Export Management 9 Years	01.07.2011	46 Years	-	Relative of Smt. Ranjana Choudhary, WTD	
4	Shri Mr. Ashok Gupta	HOD-Technical	17,32,500	Permanent	B.E., 36 Years	01.01.2016	59 Years	Neo Corp International Limited	No	-
5	Shri Gauri Shankar Agrawal	General Manager	16,10,196	Permanent	Chartered Accountant, 36 years	01.06.2018	59 Years	Bhatiya coal Chennai		
6	Shri Hemant Baid	General Manager-Marketing	15,49,549	Permanent	MBA, 14Years	03.11.2009	37 Years	Flexituff International Ltd.,	No	-
7	Smt Ranjana Choudhary	Whole Time Director	13,00,000	On contractual basis	B.Com, Masters Degree in Computer Management 9 Years	05.06.2011	39 Years	-	Relative of Shri Ravindra Choudhary, CEO	
8	Shri Virendra Singh Pamecha	Whole Time Director	12,40,000	On contractual basis	B.Com.30 Years	21.09.2009	51 Years	India Nets, Pithampur	No	
9.	Smt Kavita Gupta	GM – Administration	10,50,000	Permanent	M.Sc (Zoology), 16 Years	01.01.2016	54 Years	Neo Corp International Limited,	No	
10.	Shri Abhishek Jain	Chief Financial Officer	9,62,788	Permanent	M.Com, ACS, MBA (Fin.), LL.B (Hons.), LL.M 14years	01.10.2005	40	-	No	

**For and on behalf of the Board**
**Place : Indore**
**Date : 04th September, 2021**
**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (a) Global Economy Overview

The global economy is set to expand 5.6 percent in 2021—its strongest post-recession pace in 80 years. This recovery is uneven and largely reflects sharp rebounds in some major economies—most notably the United States, owing to substantial fiscal support—amid highly unequal vaccine access. In many emerging market and developing economies (EMDEs), elevated COVID-19 caseloads, obstacles to vaccination, and a partial withdrawal of macroeconomic support are offsetting some of the benefits of strengthening external demand and elevated commodity prices. By 2022, global output will remain about 2 percent below prepandemic projections, and per capita income losses incurred last year will not be fully unwound in about two-thirds of EMDEs. The global outlook remains subject to significant downside risks, which include the possibility of large COVID-19 waves in the context of new virus variants and financial stress amid high EMDE debt levels. Controlling the pandemic at the global level will require more equitable vaccine distribution, especially for low-income countries. The legacies of the pandemic exacerbate the challenges facing policy makers as they balance the need to support the recovery while safeguarding price stability and fiscal sustainability. As the recovery becomes more entrenched, policy makers also need to continue efforts toward promoting growth-enhancing reforms and steering their economies onto a green, resilient, and inclusive development path.

As the global economy rebounds from the COVID-19- induced global recession, the accompanying strength in global trade offers an opportunity to jumpstart the recovery in EMDEs. Lowering cross-border trade costs could help revive trade growth. Trade costs are high: on average, they double the cost of internationally traded goods over domestic goods. Tariffs account for only one-fourteenth of average trade costs; the bulk of trade costs are incurred in shipping and logistics as well as cumbersome trade procedures and processes at and behind the border.

Despite a decline since 1995, trade costs remain almost one-half higher in EMDEs than in advanced economies; about one-third of the gap may be accounted for by higher shipping and logistics costs and another one-third by trade policy. A comprehensive reform package to lower trade costs would include trade facilitation measures; deeper trade liberalization; efforts to streamline trade processes and clearance requirements; better transport infrastructure; more competition in domestic logistics, retail, and wholesale trade; and less corruption. Some of these measures could yield large dividends: Among the worst-performing EMDEs, a hypothetical reform package to improve logistics performance, maritime connectivity, and border processes to those of the best performing EMDEs is estimated to halve trade costs.

### (b) Indian Economy Overview

The Indian economy, which had been beset by a gradual growth slowdown in the last few years, experienced a challenge in FY 2020-21 in the form of the COVID-19 pandemic, which led to a strict lockdown enforced by the Government. However, the economy demonstrated resilience and depth by recovering much of the lost ground in the subsequent quarters. However, the challenge posed by the virus only subsided to come back stronger in a devastating second wave in the first quarter of FY 2021-22. For India, emerging victorious against this invisible enemy and returning to the path of prosperity will call for concerted efforts by Central and State Governments, the healthcare sector, and the people. Various measures announced by the Government to support livelihoods and incentivize investments are expected to emerge as drivers for sustained long-term growth. Year in review India was able to contain the impact of COVID-19 on its economy in FY 2020-21 with combined efforts of the people and businesses as well as the Government. Decline in GDP in FY 2020-21 is expected to be in the region of (-) 7.3% to (-) 7.5%, largely due to the lockdown imposed in the first quarter of the year. However, the economy rebounded rapidly after the restrictions eased and posted growth in the fourth quarter simultaneously with the rollout of a nationwide vaccination program. The Indian Government announced a bold economic stimulus to combat the sharp slowdown caused by the lockdown, its various measures aimed at easing liquidity and credit unavailability faced by the MSME sector to reinvigorate economic activity. Similarly, various measures targeted at incentivizing investments in economic segments and bringing about long-awaited labour reforms helped improve sentiment and attract global investments, strengthening India's

self-reliance for critical needs

Outlook Emergence of the second COVID-19 wave has dampened the outlook for a strong projected rebound in real GDP growth of 10.5% in FY 2021-22, which had been supported by a strong revival achieved in Q4 FY 2020-21 and impact of fiscal stimulus packages under AtmaNirbhar 2.0 and 3.0 schemes, increased capital outlays and the promotion of investments in the Union Budget 2021-22. As a result of the setback caused by the second wave, real GDP growth for FY 2021-22 may finish lower than expected before India returns to robust growth in FY 2022-23 with a projected 6.8% growth over FY 2021-22. Despite recent developments, India's economic activity has been gathering strength with demand and supply sides staging an appreciable recovery, improved mobility and optimism due to a sustained vaccination rollout programme, growth-enhancing proposals in the Union Budget and reasonably favourable monetary conditions. However, India's growth outlook could also depend on the trajectory of global economic recovery, in view of external trade linkages, hardening crude oil prices and competition in the export markets.

The Reserve Bank of India (RBI), and the central and state governments provided critical support to the economy during the crisis. RBI maintained loose monetary policy, cutting repo rates during 2020. To keep funding markets easy, the RBI maintained liquidity surplus through various monetary measures.

### (c) Industry Overview

The plastic industry in India made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90% of which are small and medium-sized enterprises. India exported plastics raw material worth US\$ 280.38 million in March 2021, and the export during April 2020 to March 2021 was US\$ 3.29 billion. The total plastic and linoleum export during April 2020 to March 2021 was US\$ 7.45 billion and for the month of March 2021, it was US\$ 719.15 million. In April 2021, export of plastic and linoleum stood at US\$ 726.74 million. In FY20, plastic and linoleum export from India stood at US\$ 7.55 billion. In FY21 export of plastic sheets, films, and plates stood at US\$ 1.53 billion and packaging material was US\$ 863.62 million. The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others. The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country. Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically. The Department of Chemicals and Petrochemicals has approved 10 Plastic Parks in the country, out of which 6 parks have been given final approval in the below states:

- Assam (1 nos.)
- Madhya Pradesh (2 nos.)
- Odisha (1 nos.)
- Tamil Nadu (1 nos.)
- Jharkhand (1 nos.)

The Detailed Project Reports are under evaluation for two Plastic Park in Uttarakhand and Chhattisgarh respectively and proposal for setting up of two new Plastic Parks are under process.

These Plastic Parks will help to achieve environmentally sustainable growth and increase employment.

(Source – India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

During July 2021, India exported plastics worth USD 1,154 million, up 33.8% from USD 862 million in July 2020. Cumulative value of plastic export during April 2021 – July 2021 was USD 4,571 million as against USD 3,073 million during the same period last year, registering a positive growth of 48.7%. Export of Woven sacks and FIBCs gained 52.5% during July 2021 as sales of FIBC further strengthened. India is a significant exporter of FIBC to Europe and North America. (Source – www.plexcouncil.org)

Your Company is an ISO certified company engaged in the manufacturing and supply of Flexible Intermediate Bulk Container (FIBC), High Density Polyethylene (HDPE) and Polypropylene (PP) woven sacks, Fabric, Container Bags, Pond Liners, Mulch Films, Tarpaulin (under the brand name – TIGER TARPAULIN), Vermi Beds, Flexible Pipes (under the brand name – COMSYN SWAJAL) and Flexible Packaging for export and domestic markets. Other range of products are sold under the brand name – COMSYN.

Company's customer base is spread across the globe with major presence in European Union, United Kingdom, United States and Latin America. The majority of sales are through exports which continue to contribute more than 70% of sales from manufacturing segment. The Company has also been recognised by Government of India as an Export House.

The Company is continuously doing Research and Development activities to produce best of its products as per the need of customers. The Company offers various packaging solutions for wide range of end users such as Construction, Agriculture, Asbestos Waste Removal, Bulk Packaging, Household Waste Removal, Human Safety, Gardens, Green Houses, Shelter, Grain, Pulses, Animal Food, Seeds, Fertilizers, Chemicals, and Food Products etc.

The Company has been operating as DCA cum CS of ONGC Petro additions Limited (OPaL). During this year this business not only delivered a steady performance but also continued to add value to the Company, in terms of profitability. This segment helps the Company as a source of Raw Material and helps to increase its presence in the national market. Further it also helps the Company to decide its raw material procurement policy and reduction of cost.

The Company has installed the solar power generation plant and also a rooftop solar power plant for generation of electricity for captive consumption. The Company is also using all its wastage generated during the operation and thereby contributing towards the environment.

The commercial production of expansion at Unit – II was commenced on 28th September, 2020 with the installation of Melt Blown Non-Woven Fabric Production Line. The capacity addition is 3630 MT. The Company has also setup its wholly owned subsidiary in the name of 'Comsyn India Private Limited' with a capacity of 3100 MT. With this expansion the total capacity of the Company including its subsidiary is 23730 MT.

**(d) Strength, Weakness, Opportunities and Threats**

The Company has wide range of products in its basket which caters to the customers across the globe. The product portfolio comprises of about 15 different products like FIBC, Woven Sack Bags, Tarpaulin, Liners, Garbage Bags, Mulch Film, Pond Liner, Vermi Beds, and flexible pipes etc. Product diversification helps in catering to different markets as per their demands. Your Company is having BIS Certification for separate clean room facilities and the Company's fully integrated food grade manufacturing facility for FIBC is one of the best in India. The Company supplies to various industries like agriculture, construction, food, bulk packaging, chemical, cement and food grade bags. The strong Industry relation is a core strength of the Company. The Company focuses on quality and customer satisfaction to maintain long term relationship and to procure repeat orders. There is increased competition due to industry wise capacity addition. The Company's total capacity is 23730 MTPA and your company has adequate production capacity to meet the increased demand of the Customers.

Volatility of Oil and currency are some major threats. Being a labour oriented industry with high requirement of skilled labour, shortage of labour is a major risk associated with the sector, however the Company has put in place adequate system to monitor

labour requirement and have already implemented skilled development training program. Competition from new players within and outside the country is also posing the threat for the company and with the experience of more than 3 decades in this industry and strong customer relationship your company is able to meet this threat.

The Company follows a risk management policy wherein the management keeps an eagle's eye view on the markets, both domestic and foreign, related to the products, the Company manufactures and the raw materials required. The management also monitors the socio-economic changes worldwide and the changes in the currency fluctuation to minimize the risks. There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the risks inter-se that are generally dealt in regular course of business and have to be taken care of are -economic risk, technology risk, fluctuations in foreign exchange rates and raw material prices which the Company regularly monitors with a proactive approach adopted by the management to evaluate and mitigate these potential risks. An additional risk arising out of the Covid-19 pandemic cannot be ruled out which may lead to a possible future lockdown or a temporary closure.

**(e) Segment-wise or product-wise performance**

The Company operates in three segments i.e.

- (a) Manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner, Mulch Film, Vermi Beds and other flexible packaging and
- (b) Trading of Granules
- (c) Solar Power generation.

The segment for Manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner, Mulch Film, Vermi Beds and other flexible packaging meets the quantitative thresholds and is considered as reportable segment. Financial information of all other segments have been shown in 'All other Segments'.

**(f) Future Outlook**

Driven by lightweight, customized product features, user-friendly, sustainability advantages and enhanced packaging options the product base of the Company has the potential to maintain positive growth through demand emanating from international as well as domestic industries. In the domestic market, the industry is also envisaged to receive a boost from agriculture, mineral, petrochemical industries and various industrial markets who are opting for FIBC as packaging option. Internationally, the FIBC industry is estimated to demonstrate firm growth driven by demand from new markets like Latin & Central America, Eastern Europe & some parts of Africa. Also, acceptability and increase in usage by the pharmaceutical and food industry across the globe will have positive impact.

**(g) Risk and concerns, internal control systems and their adequacy**

The Company is engaged in the business of manufacturing and export of containers and packaging materials, which is associated with normal business risk as well as the imbalance of demand-supply of products in the domestic as well as international market. We are subject to foreign currency exchange rate fluctuations which could have a material impact on our results of operations and financial conditions. There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the risks inter-se that are generally dealt in regular course of business and have to be taken care of are -economic risk, technology risk, fluctuations in foreign exchange rates and raw material prices which the Company regularly monitors with a proactive approach adopted by the management to evaluate and mitigate these potential risks. An additional risk arising out of the Covid-19 pandemic cannot be ruled out which may lead to a possible future lockdown or a temporary closure. The Company has a well-defined Policy for Risk Mitigation on foreign exchange by adopting hedging strategies. Global as well as Indian economic and political factors that are beyond our control, influence forecasts and may directly affect our business operations.

The Company has a Risk Management Policy and adequate Internal Control System in place. The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and

resolving risks associated with the Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management; in order to guide decisions on risk related issues. Internal Control System is commensurate with the size, scale and complexity of its operations. The Company continuously reviews its various types of regulatory, financial, operational, environmental and other business risks. There are adequate systems to ensure compliance of all various statutory and regulatory requirements and review the same from time to time and to take appropriate actions from time to time.

**(h) Discussion on financial performance with respect to operational performance.**

The Board's Report has specifically dealt with the subject under the headings 'Summarized Profit & loss Account and State of Company's Affairs & Review of operations'

**(i) Material developments in Human Resources / Industrial Relations front, including number of people employed.**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. Many initiatives were taken to support business through organizational efficiency, process change support and various employee engagement programs which has helped the organization to achieve higher productivity level. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

As on March 31, 2021 we have 2487 employees on payroll. Company is committed to provide necessary training / conducts development programmes to imbibe necessary skills required within the employees. The management of the Company enjoys cordial relations with its employees at all levels.

**(j) Details of Significant Changes in Key Financial Ratios**

Key Ratio	2020 -21	2019 -20	Variation in %	Comments for Variation in ratio above 25%
Debtors Turnover Ratio	10.73 : 1	7.02 : 1	52.85%	The ratio has improved due to reduction in credit period and timely realisation of debtors.
Inventory Turnover Ratio	2.90 : 1	4.56 : 1	36.40%	The ratio decreases due to increase in the inventory at the end of financial year. The steep increase in the price of raw material results in increase in inventory levels.
Interest Coverage Ratio	4.81 : 1	4.37 : 1	10.06%	NA
Current Ratio	1.40 : 1	1.58 : 1	11.39%	NA
Debt Equity Ratio	0.99 : 1	0.75 : 1	32.00%	The ratio increases due to increase in short term and long term debt of the Company.
Operating Profit Margin (%)	8.62%	9.81%	12.13%	NA
Net Profit Margin (%)	5.65%	5.98%	5.52%	NA
Return on networth (Any Change)	15.34%	16.58%	7.48%	The return on net worth is declined due to low profitability in proportion to net worth of the Company.

**(k) Compliance with Indian Accounting Standards**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards as notified. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**(l) Cautionary Statement**

Statements in this report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in this statement because of many factors like economic condition, availability of labour, price conditions, domestic and international market, changes in Government policies, tax regime, etc. The Company assumes no responsibility to publicly amend, modify or revise any statement on basis of any development, information and event.

**Place :** Indore

**Date :** 04th September, 2021

**For and on behalf of the Board**

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

## CORPORATE GOVERNANCE REPORT

*(Forming Part of the 37th Board's Report, for the year ended 31st March, 2021)*

Corporate governance is about commitment towards maximizing stakeholder value on a sustainable basis. Good corporate governance is a key driver of sustainable corporate growth and creating long-term value for stakeholders. Ethical business conduct, integrity and commitment to values, emphasis on transparency and accountability which enhance and retain stakeholders' trust are the hallmark of good corporate governance. The Companies Act, 2013 aims to bring governance standards at par with those in developed nations through several key provisions such as composition and functions of Board of directors, Code of Conduct for independent directors, performance evaluation of directors, class action suits, auditor rotation and independence, and so on. The Companies Act emphasizes self-regulation, greater disclosure and strict measures for investor protection. Your company is committed to adopt the best practices in corporate governance and disclosure. It is our constant endeavor to adhere to the highest standard of integrity and to safeguard the interest of all our stakeholders.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a Global leader in Packaging industry while upholding the core values of Quality, Trust, Leadership and Excellence.

### BOARD OF DIRECTORS

#### Composition:

The Board of directors of the Company has an optimum combination of Executive and Non-Executive directors with One-woman director and fifty percent of the Board of directors comprising of Non-Executive Directors. During the year under review the Board comprised of 6 (six) Directors of whom 3 (three) are Executive Directors out of which 1 (One) being Women Director and 3 (three) are Non-executive/ Independent Directors.

Composition of Board of directors is in conformity with the provisions of Companies Act, 2013 and regulation 17 of SEBI (LODR) Regulation, 2015 as amended from time to time.

#### Directors' Profile:

The Board of directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The brief profile of the Company's Board of Directors is as under:

Name of Directors	Shri Anil Choudhary	Smt Ranjana Choudhary	Shri Virendra Singh Pamecha	Shri Hitesh Mehta	Shri Milind Mahajan	Shri Chintan Pushpraj Singhvi*	Shri Vijay Kumar Bansal
Designation	Chairman and Managing Director	Whole-time Director	Whole-time Director	Independent Director	Independent Director	Independent Director	Independent Director
Date of Birth	03-12-1958	04-05-1981	01-07-1969	09-09-1950	12-10-1966	10-01-1980	14-06-1962
Date of Appointment in the current term	20-02-2016	01-06-2017	26-03-2016	20-06-2020	10-05-2017	30-11-2015	14-02-2021
Expertise / Experience in specific functional areas	More than three decades in Plastic Packaging Industry	More than 9 years of experience in the field, of administration, management and plastic packaging industry	About 30 years of experience in handling of overall manufacturing activities of the company	47 years of experience in Administration and Finance areas	Vast experience in the field of business management, e-governance and IT-enabled services	Vast experience in polymer business	Vast experience of 32 years in Petrochemical Industry (IPCL / RIL) with multiple areas of functioning. Leadership role in Sales, Marketing Agriculture, Sales and also Worked across the country in Polymer market.
Qualification	B.Sc, M.A. Diploma in Marketing Management	B.Com, Masters in Computer Management	Bachelor in Commerce	Bachelor in Commerce	B.E. Electronics, MBA	MBA in International Business.	PGDM, B.E. (Agri. Engg.)
No. & % of Equity Shares held	4,99,275 4.22%	2,21,600 1.88%	-	-	-	-	-
List of outside Company's directorship held	1. Indian Plast Pack Forum 2. ABA Realbuild Pvt. Ltd. 2. Comsyn foundation	NIL	NIL	1. J.M. Chemicals Pvt. Ltd. 2. Kavita Realities Pvt. Ltd. 3. Vivan Real Estate Pvt. Ltd. 4. Felix Properties Pvt. Ltd. 5. Rajgarh Estates Pvt. Ltd. 6. Aero Entertainment Pvt. Ltd.	1. Midwest Autosales Pvt. Ltd. 2. Mirash Infotech Pvt. Ltd. 3. The Madhya Pradesh Flying Club Ltd. 4. Aero Club of India 5. Waman Motors Pvt. Ltd.	NIL	NIL
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman of: 1. CSR Committee  Member of: 1. Stakeholder Relationship Committee	Member of: CSR Committee	Member of: Audit Committee-	Chairman of : 1. Audit Committee; 2. Nomination and Remuneration Committee; 3. Corporate Compliance Committee. 4. Independent Directors Committee	Chairman of: 1. Stakeholder Relationship Committee  Member of: 1. Nomination & Remuneration Committee 2. Audit Committee 3. Independent Directors	Member of: 1. Nomination & Remuneration Committee 2. Independent Director Committee	Member of: 1. Nomination & Remuneration Committee 2. Independent Director Committee

Chairman/ Member of the Committees of the Board, of other Listed Companies in which he is director alongwith the name	NA	NA	NA	NA	NA	NA	NA
Directors Inter se relations	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

\* Ceased w.e.f. 27th November, 2020.

- A. During the financial year 2020-21; the Board of Directors met **8 (Eight)** times on, 29th June, 2020; 15th July, 2020; 28th August, 2020; 2nd September, 2020; 3rd November, 2020; 30th November, 2020; 2nd January, 2021 and 13th February, 2021. The time gap between any two meetings did not exceed 120 (One Hundred Twenty) days except for the Board meeting held on 29th June, 2020 and the previous Board Meeting was held on 1st February, 2020 in which there is a gap of 180 days in accordance with the general extension was granted various circulars issued by the MCA and SEBI in this regard..
- B. The composition of the Board of Directors and their attendance at the meeting during the year were as follows:

Name of Director	Category & Designation	No. of Board meeting held during the financial year	No. of Board meeting held attended during the financial year	Whether attended last AGM held on 29 <sup>th</sup> , Sept., 2020
Shri Anil Choudhary	Promoter Chairman	8	8	Yes
Smt Ranjana Choudhary	Executive Director/WTD	8	8	Yes
Shri Virendra Singh Pamecha	Executive Director/WTD	8	8	Yes
Shri Hitesh Mehta	Independent/NED	8	8	No
Shri Milind Mahajan	Independent/NED	8	6	Yes
Shri Chintan Pushpraj Singhvi (Ceased w.e.f. 27th November, 2020)	Independent/NED	5	0	No
Shri Vijay Kumar Bansal (appointed w.e.f. 14th February, 2021)	Independent/NED	-	-	NA

The Statutory Auditors, Internal Auditors, CEO and CFO are the permanent invitee in the Board Meeting. Further that Mr. Sandeep Patel, the Company Secretary and Compliance office functioned as the Secretary for the Board Meetings under review.

**C. Skills / Expertise / Competencies of the Board of Directors:**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- a) Knowledge on Company's businesses, policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.

- b) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
- c) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- d) Financial and Management skills,
- e) Technical / Professional skills and specialized knowledge in relation to Company's business.

**Matrix Setting out Skills / Expertise / Competencies:**

Skills / Expertise / Competencies	Shri Anil Choudhary, CMD	Smt. Ranjana Choudhary, WTD	Shri Virendra Singh Pamecha, WTD	Shri Hitesh Mehta, Independent Director	Shri Milind Mahajan, Independent Director	Shri Chintan Pushpraj Singhvi, Independent Director	Shri Vijay Kumar Bansal
Knowledge on Company's businesses	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Business Culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Behavioural skills	Yes	Yes	No	Yes	No	No	Yes
Business Strategy	Yes	No	No	No	Yes	No	Yes
Sales & Marketing	Yes	No	Yes	Yes	Yes	No	Yes
Corporate Governance	Yes	Yes	Yes	Yes	Yes	No	Yes
Forex Management	Yes	No	No	No	No	No	No
Administration, Decision Making	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Financial and Management skills	Yes	No	No	Yes	No	Yes	Yes
Technical / Professional skills	Yes	No	Yes	Yes	Yes	No	Yes

**D. Independent Directors' Meeting:**

During the year a separate meeting of the Independent Directors was held on 3rd November, 2020 inter-alia to review the performance of Non-Independent Directors and the Board as whole. All the Independent Directors were present at the meeting except Shri Chintan Pushpraj Singhvi.

**E. Familiarization programmes for the Independent Directors: Already discussed in the Board Report.**
**F. Confirmation with respect to Independent Director's:**

Your Board of Directors is of the opinion that the Independent Directors fulfil the conditions specified in these the SEBI (LODR) Regulations, 2015 and are independent of the management. Further, all the Independent Directors have furnished their declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

**G. Resignation tendered by the Independent Director:**

Shri Chintan Pushpraj Singhvi Independent Director of the company has resigned from the Board from 27th November, 2020 due to his pre-occupations as stated in his resignation letter.

**H. Outstanding GDRs/ADRs/Warrants or any convertible instruments, etc.**

As on date, the Company has not issued these securities, convertible in the equity shares.

## I. Foreign exchange risk and hedging activities

The Company has no foreign exchange exposures; however, hedging/forwarding contract is done wherever it was required.

## COMMITTEES OF THE BOARD

### (a) Audit Committee:

The Committee presently comprises members as stated below. The Committee met six (6) times during the financial year 2020-21 on 29th June, 2020; 28th August, 2020; 2nd September, 2020; 3rd November 2020; 2nd January, 2021 and 13th February, 2021. Details of meetings attended by the members are as follows:

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Hitesh Mehta	Independent Director	Chairman	6 of 6
Shri Milind Mahajan	Independent Director	Member	5 of 6
Shri Virendra Singh Pamecha	Whole Time Director	Member	6 of 6

permanent invitees. The Company Secretary is also functioning as the secretary to the Committee.

The constitution of the Audit Committee meets with the requirement of section 177 of the Companies Act, 2013 and Listing Regulations.

### The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Directors' 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.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;;
- Reviewing and monitoring 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, 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 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 the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.

#### **Review of information by Audit Committee**

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) 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 shall be subject to review by the Audit Committee.
6. Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Reg. 32(1) of the SEBI (LODR) Regulations, 2015.
  - b. Annual statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32(7).
7. The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
8. Utilization of loan and advances, if any.

The Audit Committee reviewed the reports of the internal auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues affecting the Company and held discussions with

the internal and statutory auditors and the Company Management during the year.

The Chairman of the Audit Committee was not present at the 36th Annual General Meeting of the Company held on September 29th 2020 however, members of the Audit Committee was present.

**(b) Nomination and Remuneration Committee:**

**Composition, Meetings and Attendance:**

The Committee comprises of the Members as stated below. The Committee during the year ended March 31, 2021 had 3 (Three) meetings on 15th July, 2020; 2nd September, 2020 and 13th February, 2021. The attendance of the members was as under.

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Hitesh Mehta	Independent Director	Chairman	3 of 3
Shri Milind Mahajan	Independent Director	Member	3 of 3
Shri Chintan Pushpraj Singhvi (Ceased w.e.f. 27th November, 2020)	Independent Director	Member	0 of 2
Shri Vijay Kumar Bansal (Appointed w.e.f. 14th February, 2021)	Independent Director	Member	0 of 0

meets with the requirement of section 178 of the Companies Act, 2013 and Listing Regulations.

**Terms of Reference of Nomination, Remuneration and Compensation Committee (NRC):**

The NRC is duly constituted in accordance with the provisions of SEBI (LODR) Regulation, 2015 read with section 178 and other applicable provisions of Companies Act, 2013 and the NRC is empowered to do the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to appointment and remuneration for Directors, KMPs and other senior employees;
- To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of directors and the Committees thereof;
- To devise policy on Board Diversity;
- To identify persons, 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 where necessary, their removal;
- To formulate policy ensuring the following:
  - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully,
  - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
  - Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
  - Recommendation to the board, all remuneration, in whatever form, payable to senior management.
- To design Company's policy on specific remuneration packages for Executive/ WTD and KMPs including pension rights and any other compensation payment;
- To determine, peruse and finalize terms and conditions including remuneration payable to Executive/ WTD and KMPs from time to time;
- To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/WTD, Senior Management Personnel and KMPs;

9. Any other matter as may be assigned by the Board of directors.

#### Remuneration Policy:

The Policy for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) is uploaded on Company's website. (Link:- <http://www.comsyn.com>).

The Chairman of the Nomination and Remuneration Committee was not present at the 36th Annual General Meeting of the Company held on September 29th, 2020. However, members of the Nomination and Remuneration Committee was present.

#### (c) Stakeholders' Relationship Committee:

##### Composition, Meetings and Attendance, if any:

The Committee comprises of the Members as stated below. The Committee during the year ended March 31, 2021, 1 (one) meeting on 13th February, 2021. The attendance of the members was as under.

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Milind Mahajan	Chairman	Chairman	1 of 1
Shri Hitesh Mehta	Independent Director	Member	1 of 1
Shri Anil Choudhary	Managing Director	Member	1 of 1

The Company Secretary is also functioning as the secretary to the Committee. The constitution of the Audit Committee meets with the requirement of section 178 of the Companies Act, 2013 and Listing Regulations.

The terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

1. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### (d) Corporate Social Responsibility (CSR) Committee:

CSR Committee was constituted pursuant to section 135 of the Companies Act, 2013. The Composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The CSR Committee met 2 (two) times on 29th June, 2020 and 13th February, 2021 during the year ended March 31, 2021:

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Anil Choudhary	Chairman & Managing Director	Chairman	2 of 2
Smt Ranjana Choudhary	Whole Time Director	Member	2 of 2
Shri Hitesh Mehta	Independent Director	Member	2 of 2

The Company Secretary is also functioning as the secretary to the Committee. The constitution of the CSR Committee meets with the requirement of section 135 of the Companies Act, 2013.

The terms of reference of the Corporate Social Responsibility Committee broadly include the following:

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

- (b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company:

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

**(e) Other Committee:**

**i. Corporate Compliance Committee:**

During the period under reporting **4 (Four)** meetings of the Corporate Compliance Committee were held on 29th June, 2020; 28th August 2020; 3rd November, 2020 and 13th February, 2021 which were attended by all the members.

Name of the Director	Category	Designation	Numbers of meeting
Shri Hitesh Mehta	Independent Director	Chairman	4 of 4
Shri Anil Choudhary	Chairman & Managing Director	Member	4 of 4
Shri Abhishek Jain	Chief Financial Officer	Member	4 of 4

**The terms of reference of the Corporate Compliance Committee broadly include the following:**

- Oversight responsibility for matters of compliance, including the Company's overall compliance programs, policies and procedures; significant legal or regulatory compliance exposure.
- Oversee the Company's compliance efforts with respect to relevant Company policies, the Company's Code of Business Conduct, and relevant laws and regulations.
- Monitor the Company's efforts to implement compliance programs, policies and procedures that respond to the various compliance and regulatory risks facing the Company and support lawful and ethical business conduct by the Company's employees.
- Monitor the Company's efforts to fulfill legal obligations arising from settlement agreements and other similar documents or orders, and shall review, at its discretion.
- At its discretion, oversee the investigation of, and may also request the investigation of, any significant instances of non-compliance with laws or the Company's compliance programs, policies or procedures, or potential compliance violations that are reported to the Committee; provided, however, that any such matters related to financial non-compliance or potential financial compliance violations shall be directed to the Audit Committee for investigation.

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI(LODR) Regulation, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**TERMS OF APPOINTMENT & REMUNERATION - WTD & MD**

Particulars	Shri Anil Choudhary, Chairman & Managing Director	Smt Ranjana Choudhary Whole Time Director	Shri Virendra Singh Pamecha Whole Time Director
Period of Appointment/ Reappointment	20.02.2021 to 19.02.2026	01.06.2017 to 30.05.2022	26.03.2021 to 25.03.2026
Salary Grade	Upto Rs. 7,00,000/- per month	Upto Rs. 3,00,000/- per month	Upto Rs. 1,75,000 per month

Category: A (Allowances)	NIL	NIL	NIL
Category: B (Perquisites)	Contribution to PF, Gratuity, Earned Privilege Leave, Commission, Mediclaim and accidental insurance, Leave Travel Concession	Contribution to PF, Gratuity, Leave Encashment as per Rules	Contribution to PF, Gratuity, Earned Privilege Leave as per Rules
Category: C	Car, Telephone, Internet & Cell	Car, Telephone, Internet & Cell	Car, Telephone, Internet & Cell
Minimum Remuneration	As per provisions of Companies Act, 2013 read with Schedule V of the Act	As per provisions of Companies Act, 2013 read with Schedule V of the Act	As per provisions of Companies Act, 2013 read with Schedule V of the Act
Notice Period and fees	6 months from either side	6 months from either side	6 months from either side

**DETAILS OF SITTING FEES PAID TO NON-EXECUTIVE DIRECTORS:**

S. No.	Name of Director	Designation	Amount Paid
1	Shri Hitesh Mehta	Independent Director	52,000
2	Shri Milind Mahajan	Independent Director	30,000
3	Shri Chintan Pushpraj Singhvi (Ceased w.e. 27 <sup>th</sup> November, 2020)	Independent Director	0.00
4	Shri Vijay Kumar Bansal (Appointed w.e.f. 14 <sup>th</sup> February, 2021)	Additional/ Independent Director	0.00

Details of remuneration paid to the Directors are given in Annexure - G to Board Report.

**GENERAL BODY MEETINGS:**
**A. Annual General Meetings:**

Date of AGM	Venue	Time	No. of resolutions passed other than ordinary Businesses	No. of resolutions passed by Postal Ballot
07/09/2018	Hotel Shreemaya Residency, A.B. Road, Near Press Complex, Indore (M.P.) 452 008	12:15 P.M	One	Nil
18/09/2019	Hotel Shreemaya Residency, A.B. Road, Near Press Complex, Indore (M.P.) 452 008	12:15 P.M.	Five	Nil
29/09/2020	Video Conference VC/OAVM and the deemed venue for the meeting is at registered office of the company situated at Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore (M.P.) 452001.	2:00 P.M.	Three	Nil

**B. Extraordinary General Meeting (EGM):**

No Extraordinary General Meeting held during the year 2020-21

**C. POSTAL BALLOT: No Resolution passed by postal ballot during period under the year 2020-21**
**DISCLOSURES:**

- (a) Subsidiary Companies
- (b) Related Party Transactions Policy
- (c) Vigil Mechanism/Whistle Blower Policy
- (d) Prevention of Insider Trading

(e) Code of Conduct

(f) Credit Rating

All the above disclosures are already discussed in Board Report. Hence, not repeated over here.

**D. Providing voting by Electronic Means.**

Your Company is providing E-voting facility under Regulation 44 of SEBI (LODR) Regulation, 2015 and Companies Act, 2013. The details regarding e-voting facility is being given with the notice of the Meeting.

**E. Strictures and Penalties**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI)

**F. Compliance with Indian Accounting Standards**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards as notified. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**G. Proceeds from public issues, rights issue, preferential issues, etc.**

The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.

**H. Disclosures with respect to demat suspense account/ Unclaimed Suspense Account:**

There is no equity shares lying in the demat suspense account/ Unclaimed Suspense Account.

**I. Confirmation that in the opinion of the Board, the Independent Director fulfills the condition specified in this regulation and are independent of the Management:**

All Independent Directors has given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the Management do hereby confirm their independency.

**J. Detailed Reason for resignation of Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reasons, other than those provided:**

Mr. Chintan Pushpraj Singhvi (DIN:07334755), resign from the office of Independent Director of the Company w.e.f. 27th November, 2020 due to his pre-occupation activities as stated by him in his resignation letter.

**K. Secretarial Compliance Report:**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has engaged the services of CS Ishan Jain (CP No. 13032), Practicing Company Secretary and Secretarial Auditor of the Company for providing this certification.

**L. Certificate from Practicing Company Secretary:**

Certificate for disqualification of directors as required under Part C of Schedule V of the SEBI (LODR) Regulation, 2015, received from CS Ishan Jain (CP No. 13032) proprietor of M/s. Ishan Jain & Co. Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

A compliance certificate from CS Ishan Jain (CP No. 13032) proprietor of M/s. Ishan Jain & Co., Practicing Company Secretaries, pursuant to the requirements of Schedule V of the SEBI (LODR) Regulation, 2015 regarding compliance of conditions is attached.

In compliance with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, company has filed Annual Secretarial Compliance Report for the year ended 31st March, 2021 in terms of Regulation 15(2) of SEBI (LODR) Regulation, 2015.

**M. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act, 2013:**

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2020-21 are as under:

- |    |  |       |
|----|--|-------|
| a. | Number of complaints filed during the financial year         | : NIL |
| b. | Number of complaints disposed of during the financial year   | : NIL |
| c. | Number of complaints pending as on end of the financial year | : NIL |

**N. Total fees for all services paid by the company and its subsidiary on a consolidated basis, to the statutory auditors and all entities in the network of which the statutory auditor is a part.**

The summary of the audit and other fees paid to auditors of the company and its subsidiary is as follows:

S. No.	Name of company	Status	Total Audit Fees payable
1	Commercial Syn Bags Limited	Holding Company	1,75,000
2	Comsyn India Pvt. Ltd.	Subsidiary Company	25,000

**MEANS OF COMMUNICATION:**

The company regularly intimates its quarterly/half-yearly un-audited as well as annual audited financial results to the Stock Exchange immediately after these are taken on record/approved by the Board. These financial results are published in the Free Press Journal (English) and in Choutha Sansar (Hindi), the vernacular newspaper. The results of the company are also available on the website of the company, at [www.comsyn.com](http://www.comsyn.com).

**MD/CFO CERTIFICATION:**

The MD and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of SEBI (LODR) Regulation, 2015. The said certificate is annexed and forms part of the Annual Report.

**COMPLIANCE UNDER NON-MANDATORY/DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS REQUIREMENTS OF LISTING REGULATIONS:**

The Company complied with all mandatory requirements and has also adopted non-mandatory requirement as per details given below:

**A. The Board:**

The Company is having Executive Chairman.

**B. Shareholder's Rights:**

The half yearly results are displayed on the website of the Company and are sent to the Stock Exchanges where the shares of the Company are listed. The half-yearly results are not separately circulated to the shareholders.

**C. Audit Qualification:**

The auditors have not qualified the financial statement of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements. However, the observations raised by the Secretarial Auditors were commented by the management in the Board report and are not in severe nature.

**D. Reporting of Internal Auditor:**

The Internal Auditors of the Company report to the Audit Committee.

**GENERAL SHAREHOLDER INFORMATION:**

Date, Time and Venue of Annual General Meeting	On 30th September, 2021 at 2.00 P.M. through Video Conferencing/VC or other audio visual mode for which purposes the registered office of the company at Commercial House, 3-4 Jaora Compound M.Y.H. Road, 452001 (M.P.) shall be deemed as the venue for the meeting
E-voting period	From Monday 27.09.2021 on 9:00 A.M. [IST] To Wednesday 29.09.2021 on 5:00 P.M. [IST]
Financial Calendar Results	
for the quarter ending 30th June, 2021	14th August, 2021
for the quarter ending 30th Sept, 2021	On or Before 14th November, 2021
for the quarter ending 31st Dec., 2021	On or Before 14th February, 2022
for the quarter ending 31st March, 2022	On or Before 30th May, 2022
Board Meeting for consideration of Annual Accounts for the financial year 2020-21	16th June, 2021 (the same has been extended by SEBI upto 30th June, 2021 due to Covid-19)
Book Closure	24th September, 2021 to 30th September, 2021 (both days inclusive)
Cutoff date for E-voting	23rd September, 2021
Posting/ mailing of Annual Report	On or Before 7th Sept., 2021
Last date for receipt of Proxy	Not Applicable (AGM will be held through “VC and OAVM”)
Dividend	Within 30 days from the date of declaration
Listing on Stock Exchange	The equity shares of the company are listed at BSE Ltd., Having its office at Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001 and the listing fees has been paid for 2021-2022
Registered Office	“Commercial House”, 3-4 Jaora Compound M.Y.H. Road, 452001 (Address for Correspondence)
Compliance Officer and Company Secretary	CS Sandeep Patel
Registrars and Share Transfer Agents	Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 (M.H.) Tel: +91-22-6263 8200 Fax: +91-22-6263 8299 Email: investor@bigshareonline.com Website: www.bigshareonline.com
Scrutinizer for E-voting	CS Ishan Jain, Practicing Company Secretary
Scrip Code	539986
ISIN NO	INE073V01015
The financial year covered by this Annual Report	April 1, 2020 to March 31, 2021
Share Transfer System	Due to amendment in SEBI (LODR) Regulation, 2015 from 1st April, 2019 no physical transfer of shares allowed.

Commodity price risk or foreign exchange risk  
and hedging activity

Plant Location

The export transactions or covered by the Forward cover as per policy of the company to minimize the exchange fluctuation risk  
Unit I: Plot No.S-4/1, S-4/2, S-4/3, S-4/3A Sector 1, Pithampur (M.P.)  
Unit II: Plot No. S-2/1, S-3/1, S-3/2, Sector-1, Pithampur (M.P.)  
Unit III: Plot No. 309, Sector-1, Pithampur (M.P.)  
Unit SEZ: Indore Special Economic Zone  
Plot No.15-18, Phase-1, Sector-III, Pithampur (M.P.)  
Solar Power Division: PH No. 36, Village  
Galihara, Tehsil Sitamau. District Mandsaur (M.P.)  
Trading Division Warehouse:  
61/2, Sector F, Sanwer Road, Indore (M.P.) - 452015

## MARKET INFORMATION:

Stock Market Price Data:

Monthly high/low during the year 2020-21 at BSE Platform Mumbai:

Month	High	Low	Total No. of shares
April-2020	51.60	38.75	18878
May-2020	49.75	36.10	73710
June-2020	52.65	47.75	168272
July-2020	54.10	47.90	229095
August-2020	59.85	46.25	280515
September-2020	64.00	56.00	235904
October-2020	64.00	54.00	346836
November-2020	68.00	54.10	339673
December-2020	73.90	58.15	222538
January-2021	141.10	67.00	1242642
February-2021	125.30	91.00	443909
March-2021	109.10	86.95	325431

\*(Source website of BSE Limited)

## Distribution of Shareholding as on March, 31, 2021:

Share Holding of Nominal Value (Slab)	Share Holders Number	% of Share Holders	Share Amount In RS.	% to Total
1-5000	691	59.87	967210	0.82
5001-10000	126	10.92	1028660	0.87
10001-20000	97	8.40	1460210	1.23
20001-30000	60	5.20	1629350	1.38
30001-40000	18	1.56	647180	0.5477
40001-50000	23	1.99	1092900	0.92
50001-100000	68	5.89	4558590	3.86
100001-above	71	6.15	106789900	90.36
<b>Total</b>	<b>1154</b>	<b>100.00</b>	<b>11,81,74,000</b>	<b>100.00</b>

**Dematerialization of Shares as at March, 31, 2021:**

Category	No. of Shares	% to Total
Total number of dematerialized shares with NSDL	1,04,34,506	88.30
Total number of dematerialized shares with CDSL	13,82,894	11.70
Total number of Physical shares	-	-
<b>TOTAL</b>	<b>1,18,17,400</b>	<b>100.0</b>

**Shareholding Pattern as at March, 31, 2021:**

Category of Shareholder	No. of Shares held	%
Promoters	72,26,690	61.15
Mutual Funds/UTI	0	0
Financial Institutions/Banks	0	0
Insurance Companies	0	0
Foreign Institutional Investors	0	0
Directors & Relatives	0	0
Individuals	40,23,737	34.05
Non- Resident Indians & OCB	46,738	0.40
Others	5,20,235	4.40
<b>TOTAL</b>	<b>1,18,17,400</b>	<b>100.00</b>

**REDRESSAL OF INVESTOR GRIEVANCES THROUGH SEBI SCORES MECHANISM:**

SEBI has issued various circular for Listed entities to Register itself on SCORES. It is a web based centralized grievance redress system of SEBI. SCORES enable investors to lodge and follow up their complaints and track the status of redressal of such complaints online from the SCORES website.

Your Company is also registered on SCORES and promptly redressing investor grievances. The same is maintaining by our Registrar and Share Transfer Agent M/s Bigshare Services Pvt. Ltd.

**Unclaimed Dividends:**

Dividends remain unpaid/unclaimed for a period of seven years will be transferred the Investor Education & Protection Fund (IEPF) established by the Government. The dates by which the dividend amounts will be transferred to IEPF are as under:

Financial Year	Date of Declaration	Type of Dividend	Rate of Dividend per Share Rs.	Due date for transfer to IEPF	Amount of unpaid dividend as on 31.03.2021 Rs.
2019 -20	29.09.2020	Final	Rs. 1.50 (15%)	04.11.2027	40.00

**RECONCILIATION OF SHARE CAPITAL AUDIT:**

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital.

**For and on behalf of the Board**

**Place :** Indore

**Date :** 04th September, 2021

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

**DECLARATION BY THE MANAGING DIRECTOR**

[under SEBI (LODR) Regulation, 2015 Regarding Compliance with Code of Conduct]

In accordance with Schedule V, Para D of the SEBI (LODR) Regulation, 2015 as amended from time to time, I the Managing Director of the Company hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2021.

**For and on behalf of the Board**

**Place :** Indore

**Date :** 04th September, 2021

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

**COMPLIANCE CERTIFICATE**

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

To,  
 The Board of Directors  
 Commercial Syn Bags Limited

- A. We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2020-21 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. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate 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 listed entity 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 Financial Year 2020-21
  2. significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and
  3. Instances of significant fraud of which they 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, Commercial Syn Bags Limited**

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

**Place :** Indore

**Date :** 16th June, 2021

**For, Commercial Syn Bags Limited**

**Abhishek Jain**  
**Chief Financial Officer**

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,

**Commercial Syn Bags Limited**

1. This certificate is issued in accordance with the terms of our engagement.
2. We, **Avinash Agrawal & Co.**, Chartered Accountants, the Statutory Auditors of Commercial Syn Bags Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (LODR) Regulations, 2015 (the Listing Regulations).

**Management's Responsibility**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.
9. We 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.

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**ICAI Reg. No.: 022666C**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN : 21410875AAACE3798**

**Place : Indore**  
**Dated : 04 September, 2021**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
 The Members of  
**Commercial Syn Bags Limited,**  
 Commercial House,  
 3-4, Jaora Compound, M.Y. H. Road,  
 Indore (M.P.) 452001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Commercial Syn Bags Limited, having CIN L25202MP1984PLC002669 and having registered office at Commercial House, 3-4, Jaora Compound, M.Y. H. Road, Indore (M.P.) 452001 (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](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and 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 31st March, 2021 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. Anil Choudhary*	00017913	10/12/1984
2	Mrs. Ranjana Choudhary	03349699	05/06/2011
3	Mr. Virendra Singh Pamecha	07456367	26/03/2016
4	Mr. Hitesh Mehta	00427646	20/06/2015
5	Mr. Milind Mahajan	00155762	10/05/2017
6	Mr. Vijay Kumar Bansal	09002441	14/02/2021

*\*Date of appointment in the MCA Record is reflecting 20.02.2008.*

*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, Ishan Jain & Co.,**  
**Company Secretaries**  
**FRN : S2021MP802300**

**Date : 13th August, 2021**  
**Place: Indore**  
**UDIN: F009978C000781342**  
 Peer Review No. :842/2020

**CS Ishan Jain**  
**Proprietor**  
**FCS: 9978**  
**C.P. 13032**

## INDEPENDENT AUDITOR'S REPORT

To the Members of Commercial Syn Bags Limited.

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying standalone financial statements of Commercial Syn Bags Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including other Comprehensive Income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its profits and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit of the standalone financial statements 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and rules made there under, 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.

#### 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 are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p>I. Inventories lying as at year end and its valuation (See note 7 to the standalone financial statements)</p> <p>The Company has reported inventory of Rs. 5499.19 lakh as at year end. It is forming substantial part of current assets of Company</p> <p>We have decided this item as a key audit matter because of—</p> <ol style="list-style-type: none"> <li>1. Significant inventory level and value,</li> <li>2. Complexities involved in determining</li> </ol> <p>I. quantities of inventory at year end at multiple locations,</p> <p>ii. Valuation of inventory because of multiple products and stages of processing.</p>	<p>Our audit procedures included the following:</p> <p>Testing the design, implementation and operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over recording of inventories.</p> <p>Understanding the Company's process and procedures for physical verification of inventories at year end.</p> <p>Assessing the methods used to value inventories and ensuring ourselves of the consistency of accounting methods.</p> <p>Inspecting the reported acquisition cost on a sample basis.</p>

	<p>Analyzing of the Company's assessment of net realizable value, as well as reviewing of assumptions and calculations for stock obsolescence.</p> <p>Assessing of appropriateness of disclosures provided in the financial statements.</p>
<p>II. Set up of new manufacturing facility (<b>See note 3 to the standalone financial statements</b>)</p> <p>Capitalization of costs of acquisition and construction of Property, Plant and Equipment of Rs. 2310.10 lakhs, forming part of the company's new manufacturing facility, the setup of which was completed during the year.</p> <p>We have decided this item as a key audit matter because of –</p> <p>I. substantial capital outlay, and</p> <p>ii. a substantial increase in borrowed funds</p>	<p>Our audit procedures included the following:</p> <p>Testing the design, implementation and operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over recording of property, plant and equipment.</p> <p>Understanding the Company's process and procedures for physical verification of property, plant and equipment at year end.</p> <p>Assessing the methods used to value property, plant and equipment and ensuring ourselves of the consistency of accounting methods.</p> <p>Inspecting the reported acquisition cost on a sample basis.</p> <p>Assessing of appropriateness of disclosures provided in the financial statements.</p>

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's and Board of Directors' responsibilities for the Audit of the Standalone Financial Statements

The Company's management and Board of Directors are 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free 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 not realistic alternative to do so.

The Board of Directors are responsible for over viewing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 the SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of the users taken on the basis of these standalone 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 risk of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Director'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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charge 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 standalone 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 preclude 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 section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit,
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books,
  - c) The standalone balance sheet, the standalone statement of Profit and Loss (including Other Comprehensive Income), the standalone statement of changes in equity and the standalone statements of Cash Flow dealt with by this report are in agreement with relevant 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 written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting,
  - 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, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act, and
2. 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, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 33 to the standalone financial statements.)
  - ii. The Company did not have any long-term contracts for which there were any material foreseeable losses. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts. (Refer Note 21 to the standalone financial statements.)
  - iii. There has been no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.
3. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**ICAI Reg. No.: 022666C**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN : 21410875AAACE3798**

**Place : Indore**  
**Dated : 16th June, 2021**

## ANNEXURE –A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

*(Reference to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements section of our report to the members of Commercial Syn Bags Limited)*

### **Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

#### **Opinion**

We have audited the internal financial controls over financial reporting of M/S Commercial Syn Bags Limited (“the Company”) as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the

reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, 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 Over Financial Reporting**

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

**Place :** Indore

**Dated :** 16th June, 2021

**For, Avinash Agrawal & Co.  
Chartered Accountants  
ICAI Reg. No.: 022666C**

**Avinash Agrawal  
Proprietor  
M.NO. 410875  
UDIN : 21410875AAACE3798**

## ANNEXURE –B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

*The Annexure referred to in paragraph 2 under “Report on Other Legal and Regulatory Requirement’s section of our Independent Auditors’ Report to the members of Commercial Syn Bags Limited on the financial statements for the year ended 31 March 2021, we report that:*

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All these fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on our examination of the Conveyance deed/ registered sale deed provided to us, the title deeds of immovable properties are held in the name of the company.
- (ii) (a) Physical verification of inventory, at all locations, except those in transit and lying with third parties, has been conducted at reasonable intervals by the management. No material discrepancy was noticed during such verifications.
- (iii) (a) According to the information and explanations given to us, the company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, sub-clause (a), (b) and (c) of clause (iii) of paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us and on the basis of our checking during the course of audit, the company has not accepted any deposits.
- (vi) The Central Government has specified maintenance of the cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. The Company has made and maintained such records.
- (vii) (a) According to the information and explanation given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, Goods and Service Tax, duty of custom, cess and other material statutory dues applicable to it with the appropriate authorities. There was no such outstanding as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) According to information and explanations given to us, there are no dues of income tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute except demand under M.P. Value Added Tax Act, 2002, Central sales tax act, 1956 and Entry Tax Act, 1976 as follows:

Name of the Statue	Nature of Amount Due	Amount	Amount paid in dispute	Period to which the amount relates	Forum where the dispute is pending
M.P. VAT Act, 2002	Value Added Tax	235220	58850	Financial Year 2016 - 17	Divisional Deputy Commissioner, Commercial Tax, Indore
M.P. VAT Act, 2002	Value Added Tax	129463	33000	Financial Year 2015 - 16	Assistant - Commissioner, Commercial Tax, Indore

Central Sales Tax Act, 1956	Central Sales Tax	304635	93492	Financial Year 2016 - 17	Assistant - Commissioner, Commercial Tax, Indore
Central Sales Tax Act, 1956	Central Sales Tax	15280	3850	Financial Year 2016 - 17	Divisional Deputy Commissioner, Commercial Tax, Indore
Central Sales Tax Act, 1956	Central Sales Tax	415922	125880	Financial Year 2015 - 16	Assistant - Commissioner, Commercial Tax, Indore
Entry Tax Act, 1976	Entry Tax	410473	102700	Financial Year 2016 - 17	Divisional Deputy Commissioner, Commercial Tax, Indore
M.P. VAT Act, 2002	Value Added Tax	170280	0	Financial Year 2015 - 16	Additional Commissioner, Commercial Tax, Indore

- (viii) In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues of debenture holders.
- (ix) The Company has not raised money by way of initial public offer. The Company has raised money by way of term loans. The moneys raised by the Company has been applied for the purpose for which they are raised.
- (x) Based upon audit procedures performed and according to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable Indian Accounting Standards.
- (xiv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the order is not applicable to the Company.
- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with them. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**ICAI Reg. No.: 022666C**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN : 21410875AAACE3798**

**Place : Indore**  
**Dated : 16th June, 2021**

## STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

(Rupees In Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(a) Property Plant and Equipment	3	7,747.68	5,803.34
(b) Capital Work in Progress	3	27.77	1,383.69
(c) Other intangible assets	3	0.45	0.76
(d) Financial Assets			
(i) Investments	4	15.18	-
(ii) Loans	5	527.01	318.41
(e) Other non current assets	6	38.47	298.67
		<b>8,356.55</b>	<b>7,804.87</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	7	5,499.19	3,023.26
(b) Financial Assets			
(i) Trade Receivables	8	2,132.36	1,843.06
(ii) Cash and Cash Equivalents	9	237.75	35.73
(iii) Other Bank Balances	10	367.18	413.05
(iv) Loans	11	486.87	9.79
(v) Other financial assets	12	9.68	1.03
(c) Current Tax Assets		47.62	62.03
(d) Other Current Assets	13	1,606.35	806.14
		<b>10,386.99</b>	<b>6,194.09</b>
<b>TOTAL ASSETS</b>		<b>18,743.54</b>	<b>13,998.96</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	1,181.74	1,181.74
(b) Other Equity	15	6,698.35	5,709.34
		<b>7,880.09</b>	<b>6,891.08</b>
<b>LIABILITIES</b>			
<b>1 NON CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	2,857.38	2,762.88
(b) Provisions	17	241.72	77.43
(c) Deferred Tax Liability	18	337.58	362.43
		<b>3,436.69</b>	<b>3,202.74</b>
<b>2 CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	4,216.18	1,794.77
(ii) Trade Payables			
(A) total outstanding dues of micro and small enterprises;and	20	85.47	27.48
(B) total outstanding dues of creditors other than micro and small enterprises	20	920.22	558.02
(iii) Other financial liabilities	21	1,045.55	885.15
(b) Other Current Liabilities	22	608.56	289.56
(c) Current tax liabilities		9.06	-
(d) Provisions	23	541.71	350.16
		<b>7,426.75</b>	<b>3,905.15</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,743.54</b>	<b>13,998.96</b>
Basis of Preparation, Measurement and Significant Accounting Policies		1 to 2	

The accompanying notes are an integral part of the financial statements.  
 For and on behalf of the Board of Directors.

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 16.06.2021

**(CA Avinash Agrawal )**  
 Partner  
 M.No. 410875

**STANDALONE PROFIT & LOSS STATEMENT FOR YEAR ENDED ON 31ST MARCH, 2021**

(Rupees In Lakhs)

PARTICULARS	Note No.	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>INCOME:</b>			
I Revenue From Operations	24	21,389.10	19,097.23
II Other Income	25	142.75	186.47
III <b>Total income (I+II)</b>		21,531.85	19,283.70
<b>IV EXPENSES:</b>			
Cost of materials consumed	26	11,445.13	10,418.18
Purchase of stock in trade	27	934.53	833.13
Changes in inventories of finished goods, stock in trade & work in progress	28	-1,389.13	-1,218.18
Employee benefit expense	29	3,725.45	3,211.82
Finance Costs	30	383.38	428.90
Depreciation and amortization expenses	4	752.22	690.11
Other Expenses	31	4,219.93	3,475.82
<b>Total expenses (IV)</b>		20,071.52	17,839.78
V <b>Profit/(loss) before tax (III-IV)</b>		1,460.32	1,443.92
VI Tax expense			
(1) Current tax	35	276.59	247.93
(2) Deferred tax Charge / ( Credit )	35	-24.85	53.73
<b>Total Tax (VI)</b>		251.74	301.66
VII <b>Profit/(Loss) for the year from continuing operations(V-VI)</b>		<b>1,208.58</b>	<b>1,142.26</b>
VIII <b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		-51.26	-1.70
Remeasurements of the net defined benefit plans			
(ii) Income tax relating to items that will not be reclassified to profit or loss		8.95	0.30
<b>Total Other Comprehensive Income</b>		-42.30	-1.40
<b>Total Comprehensive Income for the period</b>		1,166.28	1,140.86
IX Earnings per equity share (for continuing operation):			
Basic		10.23	9.67
Diluted		10.23	9.67
Basis of Preparation, Measurement and Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the financial statements.  
 For and on behalf of the Board of Directors.

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
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**Ravindra Choudhary**  
 Chief Executive Officer

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 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 16.06.2021

**(CA Avinash Agrawal )**  
 Partner  
 M.No. 410875

**BALANCE SHEET AS AT 31ST MARCH, 2021**
**Statement of Changes in Equity for the year ended 31st March, 2021**
**a. Equity Share Capital**

(Rs. in Lakhs)

Balance at the beginning of the reporting period i.e. 1st April 2020	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March 2021
1,181.74	-	1,181.74

**b. Other Equity**

(Rs. in Lakhs)

	Reserves and Surplus				Other Comprehensive income	Total
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	Remeasurement of Net Defined Benefit Plan	
<b>AS ON 31st MARCH 2021</b>						
Balance at the beginning of the reporting period i.e. 1st April 2020	9.23	10.88	406.53	5,297.93	-15.23	5,709.33
Add :						
Profit for the year	-	-	-	1,208.58	-	1,208.58
Other comprehensive income	-	-	-	-	-42.30	-42.30
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>1,208.58</b>	<b>-42.30</b>	<b>1,166.28</b>
Dividend Paid	-	-	-	-177.26	-	-177.26
<b>Balance at the end of the reporting period i.e. 31st March 2021</b>	<b>9.23</b>	<b>10.88</b>	<b>406.53</b>	<b>6,329.25</b>	<b>-57.54</b>	<b>6,698.35</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020**
**a. Equity Share Capital**

(Rs. in Lakhs)

Balance at the beginning of the reporting period i.e. 1st April 2019	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period i.e. 31st March 2020
1,181.74	-	1,181.74

**b. Other Equity**

(Rs. in Lakhs)

	Reserves and Surplus				Other Comprehensive income	Total
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	Remeasurement of Net Defined Benefit Plan	
<b>AS ON 31 MARCH 2020</b>						
Balance at the beginning of the reporting period i.e. 1st April 2019	9.23	10.88	406.53	4,269.64	-13.83	4,682.46
Add :						
Profit for the Year	-	-	-	1,142.26	-	1,142.26
Other comprehensive income for the year	-	-	-	-	-1.40	-1.40
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>1,142.26</b>	<b>-1.40</b>	<b>1,140.86</b>
Dividend Paid (including tax of Rs. 19.43 lakhs )	-	-	-	-113.97	-	-113.97
<b>Balance at the end of the reporting period i.e. 31st March 2020</b>	<b>9.23</b>	<b>10.88</b>	<b>406.53</b>	<b>5,297.93</b>	<b>-15.23</b>	<b>5,709.34</b>

**a) Nature and purpose of Reserves.**
**1) Capital Reserve**

Capital reserve represents amount of share partly paid up share forfeited.

**2) General Reserves**

The general reserve is a free reserve which is used from time to time to transfer profits from/to retained earnings for appropriation purposes.

**3) Securities Premium**

The company recognised securities premium for recording the premium on issue of shares. It is used mainly for writing off share issue expenses

**4) Retained Earnings**

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

**5) Other Comprehensive Income**

Items of Other Comprehensive Income

Remeasurements of Net Defined Benefit Plans -

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

**6) Other information**

Dividends Paid

Dividends paid during the year ended March 31, 2021 is Rs. 1.50 per equity share which is towards final dividend for the year ended March 31, 2020.

Dividends paid during the year ended March 31, 2020 is Rs. 0.80 per equity share which is towards final dividend for the year ended March 31, 2019.

(Rs. in Lakhs)

	Final Dividend	Interim Dividend
	for FY 2019-20	for FY 2018-19
Declaration Date	02/09/2020	18/09/2019
Dividend per Equity Share	Re 1.50/- per equity share (@ 15%) of 10/- each	Re 0.80/- per equity share (@ 8%) of 10/- each
Dividend relinquished by Promoters	-	-
Total Dividend	177.26	94.54
Dividend Distribution Tax (DDT)	-	19.43
Total Outflow (Rs.)	177.26	113.97

The accompanying notes are an integral part of the financial statements.  
For and on behalf of the Board of Directors.

As per our report of even date attached  
For **Avinash Agrawal & Co**  
Chartered Accountants  
FRN :022666C

**Anil Choudhary**  
Managing Director  
DIN 00017913

**Ranjana Choudhary**  
Whole Time Director  
DIN 03349699

**Ravindra Choudhary**  
Chief Executive Officer

**Abhishek Jain**  
Chief Financial Officer

**Sandeep Patel**  
Company Secretary  
M. No. - ACS 54908

Place: Indore  
16.06.2021

**(CA Avinash Agrawal )**  
Partner  
M.No. 410875

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2021

(Rs. in Lakhs)

PARTICULARS	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	1,409.06	1,442.21
Adjusted for:		
(Profit) / Loss on Sale of Assets (Net)	3.83	-13.04
Depreciation and amortisation expenses	752.22	690.11
Interest Income	(142.75)	(155.68)
Finance costs (Interest on lease liabilities)	5.67	8.77
Finance costs	377.71	420.13
Effect of Fair valuation of loan given in 'other equity'	-	-
Loss Allowances	48.22	13.77
<b>Operating Profit before Working Capital Changes</b>	<b>2,453.97</b>	<b>2,406.28</b>
Adjusted for:		
Decrease / (increase) in inventories	(2,475.93)	(1,099.76)
Decrease (increase) in other financial assets (non-current)	(208.60)	(5.41)
Decrease (increase) in other non-current assets	260.20	(242.56)
Decrease (increase) in trade receivables	(290.16)	1,734.68
Decrease (increase) in other bank balances	45.88	-
Decrease (increase) in loans given (current)	-	(4.33)
Decrease (increase) in other financial assets (current)	-	18.34
Decrease (increase) in other current assets	-	489.76
Decrease (increase) in other financial assets (current)	(5.37)	-
Decrease (increase) in other current assets	(802.64)	-
Non-current / Current financial and other assets	(3,476.62)	1,990.48
Increase (decrease) in trade payable	420.19	(799.77)
Increase (decrease) in other financial liabilities (current)	100.44	368.43
Increase(decrease) in other current liabilities	510.55	211.68
Increase(decrease) in provisions (non current)	164.29	7.86
Non-current / Current financial and other liabilities	1,195.48	(211.80)
Cash generated from operations	172.83	3,085.19
Taxes Paid (Net)	(262.08)	(378.23)
<b>Net Cash Flow from Operating Activities</b>	<b>(89.25)</b>	<b>2,706.96</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of tangible and intangible assets	(1,348.12)	(1,775.28)
Proceeds from disposal of tangible and intangible assets	42.21	30.65
Investments in Subsidiaries	(15.00)	-
Purchase of Other Investments	(0.18)	-
Loans to subsidiaries / others	(477.08)	-
Net cash Flow for other financial assets	-	(115.90)
Interest Income	142.75	155.68
<b>Net Cash flow (Used in) Investing Activities</b>	<b>(1,655.42)</b>	<b>(1,704.85)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	78.19	646.46
Proceeds/(Repayment) of Short Term Borrowings	2,419.74	(1,111.98)
Principal Repayment of Lease Liabilities	9.40	(6.55)
Dividends Paid (including Dividend Distribution Tax)	(177.26)	(113.97)
Interest Paid	(383.38)	(420.13)
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>1,946.69</b>	<b>(1,006.17)</b>
Net (Decrease) in Cash and Cash Equivalents	202.02	(4.07)
Opening Balance of Cash and Cash Equivalents	35.73	39.81
<b>Closing Balance of Cash and Cash Equivalents*</b>	<b>237.75</b>	<b>35.73</b>
Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.		

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 16.06.2021

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**(CA Avinash Agrawal )**  
 Partner  
 M.No. 410875

**COMMERCIAL SYN BAGS LIMITED**
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021.**
**1. Corporate information**

Commercial Syn Bags Limited ("COMSYN" or The "Company"), domiciled in India and incorporated on 10th December, 1984 under the provisions of the Companies Act, 1956 and having its registered office at 'Commercial House', 3-4 Jaora Compound, M.Y.H. Road, Indore, Madhya Pradesh – 452001, India. The company is BSE SME listed company and subsequently migrated to BSE Main Board w.e.f. 13th May 2019. The company is the manufacturer and exporters of FIBC, HDPE/PP Tarpaulin, HDPE/PP, Bags, Ground Cover, Pond Liners, Mulch Film, HDPE/PP Fabric, Laminates and Vermi Beds.. The Company is Del-credere Agent cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) and owns and operates solar power generation plant at Village Galihara, Dharakhedi, Tehsil Sitamau and DistMandsaur for generation of electricity and its captive consumption.

**2. Basis of preparation, presentation and significant accounting policies**
**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Board of Directors approved the financial statements for the year ended 31st March 2021 and authorised for issue on 16th June, 2021.

**2.2 Basis of preparation and presentation**
**a. Basis of Preparation**

The Company maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value, recoverable amount or net realisable value in accordance with Indian Accounting Standards. The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

**b. Basis of Presentation**

- i. The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows" by use of Indirect method. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.
- ii. The Company's Financial Statements are presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated, as permitted by Schedule III to the Companies Act, 2013. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

**iii. Current and Non-Current Classification**

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

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- 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 current when: -

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

## 2.3 Key Accounting Estimates and Judgements

The preparation of these standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Company uses the following critical accounting estimates in preparation of its financial statements:

Key sources of estimation of uncertainty at the reporting date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives and carrying amounts of property, plant and equipment, fair value measurements of financial instruments, revenue recognition, employee benefits, valuation of deferred tax assets and leases, these are discussed below.

Outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability.

### (a) Property, Plant and Equipment

Judgement is required in applying the recognition criteria as to what constitutes an item of property, plant and equipment. The Company uses judgement to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of initial recognition. The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company reviews its carrying value of Property, plant and equipment carried at cost (net of impairment, if any) annually, when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. It involves, among other techniques, estimations in respect of expected future cash flows and discount rates to arrive at present value of expected cash flows.

The carrying amount of Property, plant and Equipment is given at note no. 3

### (b) Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The carrying value of fair value of financial instruments is given at note no. 4, 5, 8 to 12, 16, 19 to 21.

### (c) Revenue Recognition

The Company derives its revenue primarily from sale of merchandise and commission from DCA cum CS business.

The Company's contract with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgment is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the

time value of money if the contract includes a significant financing component.

The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

The Company uses judgement to estimate the value of the goods or services to the customer transferred to date relative to the remaining goods or services promised under contract which is used to determine the degree of completion of the performance obligation.

The amount of revenue recognised is given in note no. 24.

#### **(d) Employee benefits**

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

The carrying value of employee benefit plans in the nature of defined benefits is given in note no. 23 and 29.

#### **(e) Deferred Tax Asset**

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

#### **(f) Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The carrying value of lease obligations and Right of use assets is given at note numbers 16 And 21 respectively.

## **2.4 Recent accounting developments**

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

#### **Balance Sheet:**

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.

- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

#### **Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## **2.5 Summary of Significant Accounting Policies**

### **(a) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost after deducting trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, non-refundable purchase taxes, any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

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

The Company has opted cost model as its accounting policy for measurement after recognition.

Depreciation on Property, Plant and Equipment is provided using Straight Line Method taking life of the assets as given in the Schedule-II of Companies Act, 2013 on 95% of value of assets.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

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

Property, plant and equipment are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

### **(b) Intangible Assets**

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

The Company has opted cost model as its accounting policy for measurement after recognition.

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

The Company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss

**(c) Inventories**

Inventories consists of raw materials, Work in progress, finished goods and stores and spares. Inventories are valued at the lower of cost and net releasable value except wastage which is valued at net realisable value. The cost of inventories shall comprise all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present, location and condition. The costs of inventories are assigned using the first in, first out (FIFO) formula. When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(e) Financial Instruments**

**Financial Assets**

Initial Recognition and Measurement

The company recognises a financial asset when it becomes party to the contractual provisions of the instrument. All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition

Where the fair value of the financial asset at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

Investment in subsidiary is measured at cost

Subsequent Measurement

Financial Assets measured at Amortised Cost

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value through Other Comprehensive Income

A Financial Asset is measured a FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value Through Profit or Loss

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

Investment in subsidiary is measured at cost

Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

#### Reclassification of Financial Assets

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

### (f) Financial Liabilities

#### Initial Recognition and Measurement

The company recognises a financial liability when it becomes party to the contractual provisions of the instrument. All Financial Liabilities are recognised at fair value and in case of financial liabilities classified as 'subsequently measured at amortised cost' are shown net of directly attributable cost.

Where the fair value of the financial liability at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

#### Subsequent Measurement

Financial Liabilities which are classified as 'subsequently measured at amortised cost' are carried at amortised cost using the effective interest method.

### (g) Hedge Accounting

The Company uses derivative financial instruments such as forward contracts to mitigate the risk of changes in exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

#### Fair Value Hedge

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in foreign exchange rates. The gain or loss on the hedging instrument is recognised in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

#### Derecognition of Financial Instruments

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

### (h) Provisions and contingent liabilities

#### Provisions

Provisions are recognised 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. 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.

**(i) Contingent Liabilities**

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

**(g) Revenue Recognition**

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

**Sale of Goods**

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

**Commission income**

The Company is also Del-credere Agent cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) to deal in granules. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Principal has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

**Job work and other services**

Revenue from rendering of other services is recognised over time by measuring the progress towards complete satisfaction of performance obligations by using output method at the reporting period.

**Interest Income**

Interest Income from a Financial Assets is recognised using effective interest rate method.

**Export Licences**

The revenue from transfer of export licences has been recognised when control over licences are transferred.

**(h) Contract Balances**

**Trade Receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional.

**Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

**(i) Government Grants**

Government grants, including non-monetary grants at fair value, are recognised when there is reasonable assurance that:

- (a) the entity will comply with the conditions attaching to them; and
- (b) the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

#### **Presentation of Government grants**

Grant related to specific fixed assets are presented in the balance sheet by showing the grant as deduction from the gross value of asset concerned in arriving at their book value.

Grants related to income are presented as part of profit or loss.

### **(j) Employee Benefits Expense**

#### **Short-Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Leave encashment is accounted for on cash basis. Company compulsorily pays for encashment of leave within 12 months. Hence all payments are short term in nature.

#### **Post-Employment Benefits**

#### **Defined Contribution Plans**

The Company recognises contribution payable to the provident fund and ESIC scheme as an expense, when an employee renders the related service.

#### **Defined Benefit Plans**

The Company has opted Group Gratuity Scheme of Life Insurance Corporation of India. The Company makes contribution to the fund under that scheme. Provision for obligations is made for any shortfall in contribution to the fund as against the present value of defined benefit obligations towards gratuity at the reporting date.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

### **(k) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

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

### **(l) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets**

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

### **(m) Income Taxes**

#### **Income taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

### **Current taxes**

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the Income Tax authorities, based on tax rates and laws that are enacted at the reporting date.

### **Deferred taxes**

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

## **(n) Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

## **(o) Foreign Currencies Transactions and Translation**

### **Initial Recognition and Measurement**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction i.e. spot exchange rate between the functional currency and the foreign currency.

### **Subsequent recognition and Measurement**

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

## **(p) Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

## NON CURRENT ASSETS

## 33. PROPERTY, PLANT AND EQUIPMENT

(Rupees In Lakhs)

PARTICULARS	Useful life (In Years)	Cost			Accumulated depreciation			Net carrying amount as at 31st March ,2021	Net carrying amount as at 31st March ,2020
		As at 1st April,2020	Addition	Disposal	As at 31st Mar, 2021	As at 1st April,2020	Depreciation for the period	Disposal	As at 31st Mar, 2021
<b>PROPERTY, PLANT AND EQUIPMENT</b>									
Freehold Land	NA	81.28	-	-	81.28	-	-	-	81.28
Factory Building	30	2,702.10	784.78	-	3,486.88	164.21	103.09	-	3,219.58
Office Building	60	2.31	-	-	2.31	0.12	0.06	-	2.12
Building (Other than Factory Building)	60	143.90	-	-	143.90	4.74	2.37	-	136.80
Site Development	30	1.74	-	-	1.74	0.14	0.07	-	1.53
Plant and Equipments	15	3,304.12	1,817.99	-	5,122.10	915.99	558.45	-	3,647.66
Plant and Equipments (Sold During the Year)		120.06	-	120.06	-	85.14	-	85.14	-
Furniture and Fixture	10	145.40	1.01	-	146.41	25.70	15.33	-	105.33
Computer Equipments	3	44.82	13.41	-	58.23	19.65	14.33	-	24.25
Vehicles	8	206.58	78.16	-	284.74	35.69	34.11	-	214.94
Vehicles (Sold during the year)		24.28	-	24.28	-	13.21	-	13.21	-
Office Equipments	5	54.93	8.69	-	63.62	14.52	11.25	-	37.85
Office Equipments (Sold during the year)		0.05	-	0.05	-	-	-	-	40.47
<b>TOTAL</b>		<b>6,831.56</b>	<b>2,704.04</b>	<b>144.40</b>	<b>9,391.20</b>	<b>1,279.11</b>	<b>739.11</b>	<b>98.35</b>	<b>7,471.33</b>
Previous Year Figure		6,287.44	561.13	17.01	6,831.56	600.51	678.60	-	5,552.45
<b>CAPITAL WORK IN PROGRESS</b>									
Factory Building		522.35	173.20	695.55	-	-	-	-	522.35
Capital expenditure on factory building		110.51	27.77	110.51	27.77	-	-	-	110.51
Plant & Machinery		750.83	467.25	1,218.08	-	-	-	-	750.83
<b>TOTAL</b>		<b>1,383.69</b>	<b>668.22</b>	<b>2,024.14</b>	<b>27.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27.77</b>
Previous Year Figure		174.36	1,336.69	127.36	1,383.69	-	-	-	1,383.69
<b>RIGHT OF USE ASSETS</b>									
Leasehold Land	Years	273.31	38.25	-	311.55	22.42	12.79	-	276.35
<b>TOTAL</b>		<b>273.31</b>	<b>38.25</b>	<b>-</b>	<b>311.55</b>	<b>22.42</b>	<b>12.79</b>	<b>-</b>	<b>276.35</b>
Previous Year Figure		269.49	3.82	-	273.31	11.14	11.27	-	250.89
<b>OTHER INTANGIBLE ASSETS</b>									
Computer Software	3	1.00	-	-	1.00	0.24	0.32	-	0.45
<b>TOTAL</b>		<b>1.00</b>	<b>-</b>	<b>-</b>	<b>1.00</b>	<b>0.24</b>	<b>0.32</b>	<b>-</b>	<b>0.45</b>
Previous Year Figure		-	1.00	-	1.00	-	0.24	-	0.76

1 a. Borrowing Cost Rs. 70.98 lakhs Capitalised during the year (previous year Rs. 32.10 lakhs) and added to Property, Plant and Equipment / Capital Work in Progress.

b. The capitalisation rate is the weighted average of the borrowing costs applicable to all borrowings that are outstanding during the period.

Borrowings costs have been capitalised during the year against qualifying assets under construction using a capitalisation rate of 7.50 % (2019-20 9.25 %)

2 a. Borrowing Cost Rs. 70.98 lakhs Capitalised during the year (previous year Rs. 32.10 lakhs) and added to Property, Plant and Equipment / Capital Work in Progress.

3 Right of Use assets consists of lease contracts entered into by the Company pertains for lands taken on lease to conduct its business in the ordinary course.

#### 4 Capital Commitments

Commitments to the extent not provided for are Rs. 35.00 Lakhs (Previous Year 1071.80 lakhs)

(Refer note 2.5 (a) for accounting policy on Property Plant and Equipment and note no 2.3 (a) for other information)

## 4 Investments

(Rupees In Lakhs)

NON CURRENT INVESTMENT	As at 31st March, 2021	As at 31st March, 2020
<b>a. Investments in Equity Instruments</b>		
(i) of subsidiaries (in unquoted instruments fully paid )	15.00	-
(ii) of other entities (in unquoted instruments fully paid )	0.18	-
<b>TOTAL</b>	<b>15.18</b>	<b>-</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

## a. Information about investments in equity instruments-

(Rupees In Lakhs)

(I) Subsidiary	No. of Shares in (Lakhs)	Face Value Per Share in Rs.	As at 31st March, 2021	As at 31st March, 2020
Comsyn India Private Limited	1.50	10.00	15.00	-
<b>TOTAL</b>	<b>1.50</b>	<b>10.00</b>	<b>15.00</b>	<b>-</b>

Comsyn India Private Limited is a wholly owned subsidiary of the Company.

(Rupees In Lakhs)

(I) Subsidiary	No. of Shares in (Lakhs)	Face Value Per Share in Rs.	As at 31st March, 2021	As at 31st March, 2020
Comsyn foundation	0.018	10.00	0.18	-
<b>TOTAL</b>	<b>0.018</b>	<b>10.00</b>	<b>0.18</b>	<b>-</b>

Comsyn foundation is a company licenced under section 8 of the Companies Act, 2013 and is limited by shares.

## b. Other Information -

(Rupees In Lakhs)

(ii) Other Intities	As at 31st March, 2021	As at 31st March, 2020
Aggregate amount of quoted investment	-	-
Aggregate amount of unquoted investment	15.18	-
Aggregate market value of quoted investments	Not Applicable	Not Applicable
Aggergate amount of impairment in value of investment	-	-

## 5 Loans

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Loans Receivables considered good – Secured	527.01	318.41
<b>TOTAL</b>	<b>527.01</b>	<b>318.41</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

## 6. Other non current assets

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
I. Capital Advances	25.72	286.38
ii. Advances other than the capital advances		
a. Security Deposits		
Sales Tax Department	0.70	0.70
b. other advances		
Prepaid Lease Rent	10.56	9.02
Prepaid Expenses	1.49	2.57
<b>TOTAL</b>	<b>38.47</b>	<b>298.67</b>

## 7. CURRENT ASSETS

## Inventories

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Valued at lower of cost and net realisable value except wastage which is valued at net realisable value		
Raw Materials		
i) Material in Transit	202.82	61.14
ii) Material In Hand	1,312.42	308.65
Work-in-progress	1,184.92	860.17
Finished goods	2,603.76	1,539.38
Stock in trade	0.05	0.05
Stores and spares	195.23	253.87
<b>TOTAL</b>	<b>5,499.19</b>	<b>3,023.26</b>

(Refer note no 2.5 (c) for accounting policy on Inventories)

The carrying amount of inventory pledged as securites for borrowings is Rs. 5499.19 lakhs ( Rs. 3023.26 lakhs as at 31st March 2020).

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
<b>Details of Inventory</b>		
<b>Raw Materials</b>		
Plastic Granules	1,152.35	165.79
Master Batch	81.44	50.22
Fabric	214.90	66.67
Bopp Film	9.43	17.42
Thread / Crimpt yarn / Filler Cord/ Belt	52.74	61.10
Liner	4.38	8.60
<b>TOTAL</b>	<b>1,515.24</b>	<b>369.79</b>

<b>Work in Progress/Semi Finished Goods</b>		
Fabric (at Jobwork)	336.03	301.29
Fabrilated Thread	28.97	39.47
Re Process Granules	8.95	-
Goods in Process	595.47	298.55
U L F/LF/BSLF/BSLF-II/BELT	215.50	220.85
<b>TOTAL</b>	<b>1,184.92</b>	<b>860.17</b>
<b>Finished Goods</b>		
HDPE Bags (FIBC)	377.84	629.55
HDPE Bags	110.98	54.56
HDPE/PP Thread	22.64	-
Stock In Trasit	2,026.36	821.92
Tarpauline(In SQF)	49.03	26.81
HDPE Wastage	2.46	1.85
Liner	3.19	4.69
Vermi Beds and Meltblown Non Woven Fabric	11.26	-
<b>TOTAL</b>	<b>2,603.76</b>	<b>1,539.38</b>
Stock in Trade		
Fabric (HO)	0.01	0.01
Bags	0.01	0.01
Fabrics ( as such)	0.03	0.03
<b>TOTAL</b>	<b>0.05</b>	<b>0.05</b>
<b>Stores and Spares</b>		
Printing Ink	21.58	17.37
Thinner	1.88	1.88
M.I.B.K.	-	0.14
Ethyl Acetate	0.85	0.38
Toluene Duty Paid	0.72	-
Oil	4.48	1.70
Diesel	0.81	1.95
Box Strips	0.04	0.04
HDPE/PP Rope	1.12	-
Butanol	0.38	0.24
Plant Maintenance (Spare Parts)	163.38	230.16
<b>TOTAL</b>	<b>195.23</b>	<b>253.87</b>

**8 Trade receivables****(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Trade receivables		
secured considered good		
unsecured, considered good	2,201.17	1,862.44
Less : Loss Allowances	68.81	19.38
<b>TOTAL</b>	<b>2,132.36</b>	<b>1,843.06</b>

Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

**(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Debts due by Officers	2.41	7.45
<b>Total</b>	<b>2.41</b>	<b>7.45</b>

**9 Cash and cash equivalenta****(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
(a) Balance with banks	228.94	20.37
(b) Cash in hand	8.81	15.36
<b>Total</b>	<b>237.75</b>	<b>35.74</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

**10 Other Bank Balances****(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Balances with banks held as margin money or security against borrowings and guarantee	367.18	413.05
<b>Total</b>	<b>367.18</b>	<b>413.05</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

**11 Loans****(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Loans to related parties	479.28	-
Others	7.58	9.79
<b>Total</b>	<b>486.87</b>	<b>9.79</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Loans Receivables considered good - Unsecured	486.87	9.79
<b>Total</b>	<b>486.87</b>	<b>9.79</b>

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Comsyn India Pvt Ltd	479.28	-
<b>Total</b>		

**12 Other Financial Assets**

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Other Recoverable	2.39	1.03
Gain on Forward Contract	7.29	-
<b>Total</b>	<b>9.68</b>	<b>1.03</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

**13 Other current assets**

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Advances other than capital advances		
other advances (includes advance for RM)	794.47	82.86
Export Benefit Receivable	97.43	237.23
VAT Refund Claim	21.28	21.28
Service Tax Recoverable	0.43	0.43
Deposits for Appeal (VAT, CST, ET )	2.66	2.36
Prepaid Expenses	25.24	38.12
Advance Duty Deposit	0.83	1.33
GST Recoverable	664.01	422.53
<b>Total</b>	<b>1,606.35</b>	<b>806.14</b>

## EQUITY AND LIABILITIES

## 14 Equity share capital

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
<b>Authorised share capital</b>		
1,30,00,000 Equity Shares of Rs. 10/- each (Previous year 1,30,00,000 Equity Shares of R 10/-each)	1,300.00	1,300.00
(b) Issued and Subscribed :-	1,181.74	1,181.74
1,18,17,400 Equity Shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)		
(c) Fully Paid up Capital :-	1,181.74	1,181.74
1,18,17,400 Equity Shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)		
<b>Total paid up capital</b>	<b>1,181.74</b>	<b>1,181.74</b>

## a The Details of Shareholders holding more than 5% shares :-

(Equity Shares In Lakhs)

	As at 31st March, 2021		As at 31st March, 2021	
Shares held by Shareholder holding more than 5% share in the company	No. of Shares in (Lakhs)	% Held	No. of Shares in (Lakhs)	% Held
Pradeep Kumar Agrawal	7.36	6.23	8.47	7.16
Super Sack Private Limited	35.35	29.92	34.42	29.12

## b Reconciliation of number of share

(In Lakhs)

	As at 31st March, 2021		As at 31st March, 2021	
Equity	No. of Shares in (Lakhs)	Rs.	No. of Shares in (Lakhs)	Rs.
Opening balance	118.17	1,181.74	118.17	1,181.74
closing balance	118.17	1,181.74	118.17	1,181.74

## c Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

## d Bonus Share

The company has allotted 64,69,050 fully paid up Equity Shares of face value of Rs. 10/- each during the financial year 2015-2016 pursuant to the bonus issue approved by the shareholders at their Extraordinary General Meeting held on 15th March, 2016 in the ratio of 3 equity shares for every 1 Equity Share held on record date. The record date fixed by the Board of Directors for issue of Bonus Shares is 15th March, 2016. Except this the Company has not made any allotment of shares as Bonus Shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

## e Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

## f Earnings Per Share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

(Rupees In Lakhs except EPS )

<b>Earning Per Shares</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Calculation of Basic and Diluted EPS:		
Total Profit or Loss attributable to shareholders	1,208.58	1,42.26
Net Profit (loss) for calculation of basic EPS	1,208.58	1,42.26
Weighted average number of equity shares	118.17	118.17
Basic EPS	10.23	9.67
Calculation of Diluted EPS:		
Profit(loss) after tax	1,208.58	1,142.26
Weighted average number of equity shares	118.17	118.17
Diluted EPS	10.23	9.67

**15 Other equity**

(Rupees In Lakhs)

<b>Other equity consist of following:</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
<b>Capital reserve</b>		
Opening Balance	9.23	9.23
Closing Balance	9.23	9.23
<b>General Reserve</b>		
Opening Balance	10.88	10.88
Closing balance	10.88	10.88
<b>Security Premium Reserve</b>		
Opening Balance	406.53	406.53
Closing balance	406.53	406.53
<b>Retained Earnings</b>		
<u>Surplus(deficit) in the statement of Profit &amp; Loss</u>		
Balance as per last financial statement	5,297.93	4,269.64
Profit(loss) during the year	1,208.58	1,142.26
Less: Appropriations		
Final Dividend FY 2019-20	177.26	-
Dividend Paid for 2018-19	-	94.54
Dividend Distribution Tax	-	19.43
Net surplus in the statement of profit and loss	6,329.25	5,297.93
<b>TOTAL</b>	<b>6,755.89</b>	<b>5,724.57</b>
<b>Other Comprehensive Income (OCI)</b>		
Balance as per last financial statement	-15.23	-13.83
Add: Movement in OCI (Net) during the year	-42.30	-1.40
<b>TOTAL</b>	<b>-57.54</b>	<b>-15.23</b>
<b>Total other Equity</b>	<b>6,698.35</b>	<b>5,709.34</b>

## 16 Borrowings

(Rupees In Lakhs)

Other equity consist of following:	Non current portion	
	As at 31st March, 2021	As at 31st March, 2020
(a) Bonds and Debentures	-	-
(b) Term loans		
From Banks		
secured	2,603.39	2,524.97
(c) Long term maturities of finance lease obligations (Unsecured)	112.96	96.64
(d) Other loans		
unsecured	141.04	141.27
<b>Net Amount</b>	<b>2,857.38</b>	<b>2,762.88</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

Terms of Repayment of term loans and other loans:

**Term Loan from Kotak Mahindra Bank Limited**

Term loan from Kotak Mahindra Bank Limited Rs 1743.41 Lakhs (Previous year balance Rs 1592.23 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (i.e. Company) (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties :-

Nature of Security -

- (a) Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- (b) Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- (c) Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- (d) Property situated at Block A & B of office premises at 3-4 Jaora Compound, MYH Road, Indore.

The Term Loan is further secured by Personal Guarantee(s) of Shri Anil Choudhary, Managing Director and Smt Ranjana Choudhary, Whole Time Director of the Company and by Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

Term Loan from Kotak Mahindra Bank Limited consists of Rupee Term Loan of Rs. 387.54 Lakhs (Previous balance Rs. 470.99) and Foreign Currency Term Loan (FCTL in Euro) of Rs.1060.99 Lakhs (Previous balance Rs. 1272.42 Lakhs). There repayments are as –

- 1 FCTL - I of Rs. 277.83 Lakhs (Euro 3,22,686.03) (Previous balance Rs. 320.96 Lakhs (Euro 4,02,528.66) is repayable in 16 Equated Quarterly Instalments of Euro 23,270 each starting from December, 2018 to September, 2022 and last instalment of Euro 1,99,283.72 in December, 2022.
- 2 FCTL – II of Rs. 268.75 Lakhs (Euro 3,12,144.83) (Previous balance is Rs. 227.42 Lakhs (Euro 3,89,544.20) is repayable in 16 Equated Quarterly Instalments of Euro 22,552 each starting from December, 2018 to September, 2022 and last instalment of Euro 1,92,512.76 in December, 2022
- 3 FCTL – III of Rs. 189.01 Lakhs (Euro 2,19,527.32) (Previous balance is Rs.336.85 Lakhs (Euro 2,73,834.03) is repayable in 16 Equated Quarterly Instalments of Euro 15,828 each starting from June, 2019 to March, 2023 and last instalment of Euro 1,05,923.93 in June, 2023.
- 4 FCTL – IV of Rs. 195.36 Lakhs (Euro 2,26,897.65 ) (Previous balance is Rs. 234.78 Lakhs (Euro 2,82,697.40) is repayable in 16

Equated Quarterly Instalment of Euro 16,275 each starting from September, 2019 to June, 2023 and last instalment of Euro 94,747.88 in September, 2023.

- 5 FCTL – V of Rs. 130.04 Lakhs (Euro 151,039.94 ) (Previous balance is Rs. 152.41 Lakhs (Euro 1,83,511.16 ) is repayable in 16 Equated Quarterly Instalment of Euro 3,814 each starting from June, 2020 to March, 2024 and last instalment of Euro 22,678.25 in April, 2024.
- 6 Rupee Term Loan I (No. - 5933TL0100000177) of Rs. 243.49 Lakhs (Previous balance Rs.298.90 Lakhs) is repayable in nineteen Equated Quarterly instalment of Rs. 19.57 Lakhs each starting from June, 2020 to September, 2024 and last instalment of Rs. 7.72 Lakhs in December, 2024.
- 7 Rupee Term Loan II (No.-5933TL0100000216) of Rs. 116.28 Lakhs (Previous balance Rs. 139.11 Lakhs) is repayable in forty nine Equated Monthly Instalment of Rs. 3.36 Lakhs each starting from June, 2020 to June, 2024 and last instalment of Rs. .98 Lakhs in July, 2024.
- 8 Rupee Term Loan III (No.-5933TL0100000225) of Rs. 27.77 Lakhs (Previous balance Rs. 32.98 Lakhs) is repayable in fifty one Equated Monthly Instalment of Rs. 0.78 Lakhs starting from June, 2020 to July, 2024 and last instalment of Rs. .62 Lakhs in August, 2024.

#### Term Loan from HDFC Bank Limited

Term Loan from HDFC Bank Limited Rs. 869.67 Lakhs (Previous balance Nil) is primarily secured by hypothecation of Plant and Machinery, Stock, Book Debts, FD, Stock for Export, Export Debtors of Unit – II pari passu charge with Bank of Baroda and collaterally secured by Equitable Mortgage of property at Plot No. S-3/2 Sector – I, Pithampur, Dhar (M.P.) consisting of leasehold land and building thereon.

Term Loan from HDFC Bank Limited consists of Rupee Term Loan of Rs.1547.11 Lakhs ( Including loan of Rs. 310.37 Lakhs converted from Bank of Baroda) {Previous balance Rs. 1326.88 Lakhs (including loan of Rs. 457.21 Lakhs from bank of baroda)}. Term loan of Bank of Baroda is taken over by HDFC Bank limited and security is transferred as it is.

Term loan from HDFC Bank Limited is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters and building thereon situated at plot No. S-3/1, 3/2 Sector 1 Industrial Area, Pithampur, Dist. Dhar. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sq mtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.). The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sq ft (724.91 sq m) and Building thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the above mentioned all factories, present and future. The loan also secured by exclusive 1st charge by way of hypothecation of entire machineries, electrical installations and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future.

#### There repayment is as –

- 1 Rupee Term Loan I (No.-85084582) of Rs. 6.81 Lakhs (Previous balance is Rs. 47.11 Lakhs from Bank of Baroda) is repayable in four Equated Monthly Instalment of Rs. 3.43 Lakhs starting from Feb, 2021 to May, 2021.
- 2 Rupee Term Loan II (No.-85084586) of Rs. 14.52 Lakhs (Previous balance is Rs. 105.36 Lakhs from Bank of Baroda ) is repayable in four Equated Monthly Instalment of Rs. 7.33 Lakhs starting from Feb, 2021 to May, 2021.
- 3 Rupee Term Loan III (No.-85084592) of Rs. 253.27 Lakhs (Previous balance is Rs. 304.74 Lakhs from Bank of Baroda) is repayable in Sixty Equated Monthly Instalment of Rs. 5.22 Lakhs starting from Feb, 2021 to January, 2026.
- 4 Rupee Term Loan IV (No.-85084604) of Rs. 35.77 Lakhs (Previous balance is nil taken over from Bank of Baroda) is repayable in Eighteen Equated Monthly Instalment of Rs. 2.36 Lakhs starting from Feb, 2021 to July, 2022.
- 5 Rupee Term Loan V (No.-83511438) of Rs. 868.83 Lakhs (Previous balance is Rs.869.67 Lakhs) is repayable in Seventy Six Equated Monthly Instalment of Rs. 16.41 Lakhs starting from June, 2020 to September, 2026 and last installment of Rs. 10.62 Lakhs in October, 2026.
- 6 Rupee Term Loan VI (No.-85256245) of Rs. 367.98 Lakhs (Previous balance is nil) is repayable in Eighty four Equated Monthly Instalment of Rs. 6.45 Lakhs starting from April, 2021 to March, 2028.

### Term Loan from State Bank of India

Loan under Guanteed Emergency Credit Line (GECL) by way of Working Capital Term Loan (WCTL) from State Bank of India Rs. 200 Lakhs (Accrued Interest is Rs.1.26 Lakhs) (Previous balance is Nil) is secured by extension of charge over the existing primary and collateral securities and receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

Loan (GECL) from State Bank of India consists of Rs.200 Lakhs (Previous balance is Nil). Its repayment is as –

Loan (GECL) of Rs. 200 Lakhs (Previous balance Nil) is repayable in Thirty Six Equated Monthly Instalment starting from Oct - 2021 till June -2024.

### Other Term Loans

Term Loan (Car Loan) from Axis Bank Limited Rs. 33.65 Lakhs (Previous balance Rs 49.06 Lakhs) is secured by hypothecation of Mercedes Benz Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Car Loan) from Axis Bank Limited Rs. 40.22 Lakhs (Previous balance Nil) is secured by hypothecation of Mercedes Benz Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Car Loan) from HDFC Bank Limited Rs. 19.28 Lakhs (Previous balance Nil) is secured by hypothecation of Toyota Innova Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Commercial Vehicle Loan) from Yes Bank Limited Rs. 6.30 Lakhs (Previous balance Rs. 11.27 Lakhs) is secured by hypothecation of one Eicher Vehicle.

- 1 Term Loan (Commercial Vehicle Loan) from Yes Bank Limited of Rs. 1.32 Lakhs (Previous balance Rs. 6.30 Lakhs) is repayable in thirty six equated monthly instalment of Rs. 0.45 Lakhs each commencing from July, 2018 to June, 2021 Secured by hypothecation of Eicher Truck.
- 2 Term Loan (Car Loan) -I) (No. - 6442) from Axis Bank Limited of Rs. 16.74 Lakhs (Previous balance Rs. 33.65 Lakhs) is repayable in thirty six equated monthly instalment of Rs. 1.61 Lakhs each commencing from March, 2019 to January, 2022 and last installment of Rs. 1.41 Lakhs in February, 2022 secured by hypothecation of Mercedes Banz car.
- 3 Term Loan (Car Loan) - II (No. - 6401) from Axis Bank Limited of Rs. 23.90 Lakhs (Previous balance Rs. 40.22 Lakhs) is repayable in thirty five equated monthly instalment of Rs. 1.61 Lakhs each commencing from August, 2019 to June, 2022 and last installment of Rs. 1.27 Lakhs in July, 2022 secured by hypothecation of Mercedes Banz car.
- 4 Term Loan (Car Loan) from HDFC Bank Limited of Rs. 12.32 Lakhs (Previous balance Rs.19.28 Lakhs) is repayable in thirty six equated monthly instalment of Rs. 0.70 Lakhs each commencing from November, 2019 to October, 2022 secured by hypothecation of Vehicle Innova .
- 5 Term Loan (Car Loan) from ICICI Bank Limited of Rs. 13.94 Lakhs (Previous balance Nil) is repayable in thirty six equated monthly instalment of Rs. 0.50 Lakhs each commencing from November, 2020 to October, 2023. Secured by hypothecation of Eicher Truck.
- 6 Term Loan (Car Loan) from Bank of Baroda of Rs. 46.28 Lakhs (Previous balance Nil) is repayable in eighty four equated monthly instalment of Rs. 0.76 Lakhs each commencing from July, 2020 to June, 2027 and the term loan is secured by hypothecation of vehicle VOLVO S-90.

### Lease obligations

- a. Incremental Borrowing Rate applied to lease liabilities is 7.50 %
- b. The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

## Maturity Profile of Lease Liability

(Rupees In Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Below 3 Months	10.63	7.51
3-6 Months	-	-
6-12 Months	-	-
1-3 Years	21.25	15.02
3-5 Years	21.10	22.52
Above 5 Years	188.76	110.86

## 17 Provisions

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
<b>Employee benefits</b>		
Net defined benefit obligations for gratuity	219.53	77.43
<b>Others</b>		
Unspent CSR Amount (FY 2020-21)	22.19	-
<b>Total</b>	<b>241.72</b>	<b>77.43</b>

## 18 Deferred tax liabilities

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Deferred tax liability		
Timing difference on account of Depreciation	-299.22	-360.25
Deferred tax asset		
Timing difference on account of Expenses allowable on payment basis	-38.36	-2.19
<b>Net Deferred Tax</b>	<b>-337.58</b>	<b>-362.43</b>

(Refer note no 2.5 (m) for accounting policy)

## CURRENT LIABILITIES

## 19 Borrowings

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
<b>Short term borrowings</b>		
<b>((a) Loans repayable on demand</b>		
(I) From banks		
Secured		
Cash Credit Loan (Unit II)	487.85	357.38

Cash Credit Loans (Unit - I)	2,052.39	434.48
Cash Credit SBI Ltd (Trading Segment)	625.71	715.41
Cash Credit Loans (Unit - SEZ)	957.90	246.01
<b>(b) Loans from related parties</b>		
Unsecured	84.03	34.86
<b>(c) Deposits</b>	8.29	6.63
The above amount includes:		
Secured borrowings	4,123.85	1,753.28
Unsecured borrowings	92.32	41.49
<b>Total</b>	<b>4,216.18</b>	<b>1,794.77</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

Term of repayment of Loan -

#### Kotak Mahindra Bank Limited

Working Capital Loan from Kotak Mahindra Bank Limited of Rs. 3010.29 Lakhs (Previous balance Rs. 680.48 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties :-

- Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- Property situated at Block A & B of office premises at 3-4 Jaora Compound, MYH Road, Indore.

#### Bank of Baroda

Working Capital Loan from Bank of Baroda of Rs. Nil (Previous balance Rs. 349.89 Lakhs) is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters and building thereon situated at plot No. S-3/1, Sector 1 Industrial Area, Pithampur, Dist. Dhar. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sq mtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.). The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sq ft (724.91 sq m) and Building thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the above mentioned all factories, present and future. The loan also secured by exclusive 1st charge by way of hypothecation of entire machineries, electrical installations and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future.

The Working loan is also guaranteed by Shri Anil Choudhary Managing Director, Smt. Ranjana Choudhary, Whole Time Director of the company, Pradeep Kumar Agrawal and Ashok Kumar Agrawal shareholders of the Company and Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

#### HDFC Bank Limited

Working Capital Loan from HDFC Bank Limited of Rs. 476.53 Lakhs (Previous balance Rs. 7.49 Lakhs) is primarily secured by hypothecation of Plant and Machinery, Stock, Book Debts, FD of Unit – II and collaterally secured by Equitable Mortgage of property at Plot No. S-2/1, 3/1, 3/2 Sector – I, Pithampur, Dhar (M.P.) consisting of leasehold land and building thereon.

#### State Bank of India

Working Capital Loan from State Bank of India of Rs. 625.71 Lakhs (Previous balance Rs. 715.41 Lakhs) is secured by first charge by way of hypothecation of company's stock/ receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

In case of all unsecured loans, there is no fixed repayment schedule. There is no continuing default in repayment of any loan or interest thereon.

**20 Trade Payables**
**(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
(A) total outstanding dues of micro and small enterprises;and	85.47	27.47
(B) total outstanding dues of creditors other than micro and small enterprises	920.22	558.03
	1,005.69	585.50
Disclosures under Micro, Small and Medium Enterprises Development Act, 2006		
a. Interest Payable on outstanding to Micro and Small enterprises ( Included in A above)	0.32	0.07
b. Interest Paid to micro and small enterprises during the accounting year	-	-
c. The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day)	-	-
d. Interest accrued and remaining unpaid at the end of each accounting year	-	-
e. The amount of further interest, remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of the disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium enterprises Development Act, 2006.	-	-

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

**21 Other financial liabilities**
**(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Current Maturities of Long Term Debts	706.38	644.76
Current Maturities of Finance Lease Obligation	7.51	7.51
Interest accrued but not due on borrowings	4.46	1.82
Outstanding liability for payables	72.31	29.78
UPSKILL Development DDUGKY	233.13	0.38
Creditors for Capital Goods	17.91	117.03
Loss on forward contracts including forward contracts on firm commitments	3.86	83.88
Total	1,045.55	885.15

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 41 for other information)

Information about government grant under Deen Dayal Upadhyaya Grameen Kaushalaya Yojna

- a. **Nature of Grant :** The company has entered into MOU for execution of projects under Deen Dayal Upadhyaya Grameen Kaushalaya Yojna (DDU-GKY) Guidelines July 2016, (as may be amended from time to time the skill training and placement programme of the ministry of rural development (MoRD). Grants-in Aid is provided to the company for the execution of aforesaid purpose

## b. Extent of government grants recognized in the financial statements -

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Expenses incurred	260.19	0.54
Grant recognised to meet the expenses	-260.19	-0.54

## 22 Other current liabilities

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Revenue received in advance	596.32	276.82
T.D.S./T.C.S. Payable	12.23	12.74
Total	608.56	289.56

## 23 Provisions

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits	541.71	350.16
Total	541.71	350.16

(Refer note no 2.5 (j) for accounting policy on employee benefits and 2.3 (d) for other information)

## 24 Revenue from operations

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Revenue from contracts with customers		
<b>(a) Sale of product</b>		
Finished goods	20,166.78	17,557.54
Traded good	1,039.90	862.60
<b>(b) Sale of services</b>		
Commission Received	160.76	160.47
Jobwork Charges	9.10	8.02
<b>(c) Other Operating Revenues</b>	12.56	508.61
Total	21,389.10	19,097.23

(Refer note no 2.5 (g) for accounting policy on revenue and note no 2.3 (c) for other information)

The invoicing schedules agreed with customers include periodic performance based payments and milestone based progress payments. Invoices are payable within contractually agreed credit period.

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(i) List of Manufacturing Sales (Domestic) (Net of GST)</b>		
Sale of HDPE/PP Tarpauline	950.98	1,002.92
Sale of HDPE/PP Bags	1,091.78	853.71
Sale of ULF/LF/BSLF/BSLF-II/BELT	212.29	386.88
Sale of HDPE/PP Bags (FIBC)	1,553.50	1,061.15
Sale of HDPE/PP Wastage / Scrap	59.40	40.14
Sale of Vermi Beds	100.31	64.99
Sale of Liner/Film	40.02	89.35
Sale of RP Granules	54.77	37.70
Sale of Flexible Pouch	25.25	18.21
Sale of Other Consumables	20.74	21.78
Sale of HDPE Flexible Pipe	6.16	-
Sale of PP Multifilament Yarn	53.07	-
	4,168.28	3,576.83
Add : Freight on Local Sales/ Other Expenses	12.93	8.11
<b>TOTAL</b>	<b>4,181.21</b>	<b>3,584.95</b>

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(ii) Manufacturing Sales (Export) (Net of GST)</b>		
Fabric	82.91	196.92
F I B C Bags	13,971.22	12,210.15
Bags (Normal)	1,136.35	989.39
Tarpauline	117.56	49.74
Belt	0.03	0.07
Liner/Film	2.25	0.50
Other Consumables	10.61	0.81
	15,320.94	13,447.59
Add: Freight on Export Sales	481.49	242.50
Foreign Exchange Rate Differences	180.17	286.68
Other Charges on Sales	5.52	4.11
<b>TOTAL</b>	<b>15,988.11</b>	<b>13,980.87</b>

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(iii) Trading Sales</b>		
PP Granules	806.69	821.94
HD Granules	87.65	25.18
LD Granules	140.70	12.22
Master Batch	4.86	3.26
<b>TOTAL</b>	<b>1,039.90</b>	<b>862.60</b>

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(iv) Sales Return Manufacturing</b>		
Tarpauline	2.55	8.28
<b>TOTAL</b>	<b>2.55</b>	<b>8.28</b>
<b>TOTAL SALES</b>	<b>21,206.68</b>	<b>18,420.14</b>

**25 Other Income**

(Rupees In Lakhs)

<b>Interest income</b>	For the year ended on 31st March,2021	For the year ended on 31st March,2020
Interest income	142.75	155.68
Other non operating income (net of expenses directly attributable to such income)	-	30.79
<b>TOTAL</b>	<b>142.75</b>	<b>186.47</b>

(Rupees In Lakhs)

<b>a. interest income comprises of</b>	For the year ended on 31st March,2021	For the year ended on 31st March,2020
(i) Interest income on financial assets that are measured at Amortised cost	20.75	35.65
(ii) Other interest	122.00	120.03
<b>TOTAL</b>	<b>142.75</b>	<b>155.68</b>

**26 Cost of material Consumed**

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
Raw Material Consumed		
Opening Stock	369.79	581.50
Add: Purchases	12,590.58	10,206.48
	12,960.37	10,787.98
Less: Closing Stock	1,515.24	369.79
<b>TOTAL RAW MATERIAL CONSUMED</b>	<b>11,445.13</b>	<b>10,418.18</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Purchases Of Raw Material</b>		
BOPP Film/Tape	112.15	92.24
Crimpt yarn	162.33	156.62
Fabric (All)	621.86	359.18
Fabrilated Thread	104.24	317.48
Filler Cord	51.84	30.99
HDPE Granules (All)	347.71	197.69
HDPE/PP Belt/Tie	0.10	0.54
LD Granules (All)	1,319.15	1,007.36
Liner	1.43	20.29
Master Batch (All)	1,031.60	874.60
PP Coated Bags	0.16	15.78
PP Granules (All)	8,504.90	6,930.73
Purchase of Tarpauline	33.52	0.11
RP Granules	6.36	2.78
Wastage	0.51	1.31
<b>TOTAL</b>	<b>12,297.87</b>	<b>10,007.70</b>
Add : Custom Duty/Freight on purchase	291.09	218.36
Add : Foreign Exchange Rate Difference	1.61	-19.58
<b>TOTAL</b>	<b>12,590.58</b>	<b>10,206.48</b>

**27 Purchase of Stock in Trade(Traded goods)**

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Trading Purchase	102.63	100.02
Master Batch	3.55	2.54
PP/HD/LD/LLD Granuels	828.35	730.56
<b>TOTAL</b>	<b>934.53</b>	<b>833.13</b>

**28 Changes in Inventory of Finished Goods, Work in Progress and Stock In Trade :-**

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Inventories (at close)</b>		
Work in Process	1,184.92	860.17
Finished Goods	2,601.30	1,537.53
Goods in Trade	0.05	0.05
Wastage	2.46	1.85
<b>Inventories( at commencement)</b>		
Work in Process	860.17	598.55
Finished Goods	1,537.53	581.20
Goods in Trade	0.05	0.05
Wastage	1.85	1.62
<b>Net increase/decrease</b>	<b>1,389.13</b>	<b>1,218.18</b>

## 29 Employee Benefit Expenses

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Salaries And Wages</b>		
Salaries And Wages	2,346.13	2,137.38
Salaries And Wages (Office)	147.04	51.51
Salaries And Wages (Director)	65.88	49.28
Security Services	-	6.14
Bonus	178.50	166.70
House Rent Allowance	180.68	201.23
Education Allowance	41.48	53.47
Medical Allowance	43.97	47.96
Gratuity	90.84	15.20
Leave Encashment	17.43	6.81
Conveyance Allowance	45.76	56.48
Goodwork	49.71	12.21
Washing Allowance	106.96	87.88
Other Allowances	10.39	3.18
Attendance Bonus	121.21	62.51
Recruitment Expenses	-	0.31
Stipend to Trainee	0.17	0.99
House Rent (Rent of employees quarter)	-	0.04
<b><u>Contribution To Provident And Other Funds</u></b>		
Provident Fund	178.83	147.66
E.S.I.C.	77.24	73.25
<b><u>Staff Welfare Expenses</u></b>		
Staff Welfare Expenses	23.25	31.62
<b>TOTAL</b>	<b>3,725.45</b>	<b>3,211.82</b>
<b>Out of above</b>		
Manufacturing related	2,961.72	2,702.41
Others	763.73	509.41
<b>TOTAL</b>	<b>3,725.45</b>	<b>3,211.82</b>

(Refer note no 2.5 (j) for accounting policy on employee benefits and 2.3 (d) for other information)

**a. Defined Contribution Plans :**

All eligible employees of the Company in India are entitled to receive benefits under the provident fund plan. The Company makes provident fund contribution, a defined contribution plan, for qualifying employees. It also contributes to employee state insurance corporation, which is also defined contribution plan. The Company recognised Rs.178.83 lakhs (Previous Year : 146.37 lakhs) and Rs. 77.24 lakhs ( Previous Year : Rs. 73.25 lakhs) respectively for PF and ESIC contribution in statement of profit and loss. Provident fund and ESIC are managed through government administered funds.

## b. Defined benefit obligations and plans

## Details of defined benefit obligations and plan assets:

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Gratuity</b>		
<b>Change in defined benefit obligations:</b>		
Present Value of Benefit Obligation at beginning of the year	108.77	101.60
Current service cost	87.22	2.01
Interest cost	7.40	5.74
Accrual (gain)/loss	50.21	4.15
Benefits paid	-12.50	-4.73
<b>Present Value of Benefit Obligation at the end of the year</b>	<b>241.09</b>	<b>108.77</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning of the year	31.34	32.03
Expected Return on Plan Assets	1.77	2.45
Employers' contribution	2.00	1.59
Actuarial (losses) / gains	-1.05	-
Benefits paid	-12.50	-4.73
<b>Fair value of plan assets at the end of the year</b>	<b>21.56</b>	<b>31.34</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Amounts recognised in the balance sheet consist of:</b>		
Present value of obligations at the end of the year	-241.09	-108.77
Fair value of plan assets at the end of year	21.56	31.34
<b>Net Liability / (Asset) recognised in Balance Sheet</b>	<b>-219.53</b>	<b>-77.43</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Expense/(gain) recognised in the statement of profit and loss consists of:</b>		
<b>Employee benefits expense:</b>		
Current service cost	87.22	2.01
Interest cost	7.40	5.74
Other comprehensive income:		
Expected Return on Plan Assets	-1.77	2.45
Net actuarial losses (gains) recognised in the year	51.26	4.15
<b>Expense/(gain) recognised in the statement of profit and loss</b>	<b>144.10</b>	<b>9.45</b>

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Key assumptions used in the measurement of gratuity is as below:</b>		
Discount rate	6.80%	7.25%
Rate of escalation in salary	6.00%	7.00%

### Description of Plans and risks

Defined benefit plans of the Company comprises Gratuity.

The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment.

The Company has opted the Employee Group Gratuity Scheme of the insurance service provider Life Insurance Corporation of India ("LIC"). Payments for Gratuity are funded through investments with Life Insurance Corporation of India.

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns in order to limit the cost to the Company of the benefits provided.

The company makes annual contribution to the Employee's Group Gratuity Cum Life Assurance Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The figures of present value of the defined benefit obligation and the related current service cost were as measured and provided to us by a consulting actuary.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2020-21.

The Information of sensitivity analysis in respect of key assumption on define benefit obligation is not available as the cost to develop it would be excessive.

### c. Compensated Absences

As regards compensated absences, the Company has policy for encashment of leaves (which is compulsorily paid within one year from the end of the financial year) standing to the credit of the employees on cash basis.

## 30 Finance cost

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Interest to Bank	237.08	223.49
Interest on Term Loan	96.75	112.14
Interest on Leased Liabilities (IND AS)	5.67	8.77
Interest on Buyer's Credit	8.24	12.72
Interest on unsecured loan	11.93	12.52
Interest to Others	0.25	19.38
Bank Charges	23.46	39.88
<b>TOTAL</b>	<b>383.38</b>	<b>428.90</b>
<b>Finance cost comprises of</b>		
a. Interest expenses on financial liabilities that are measured at amortised cost	354.00	360.86
b. Interest on Lease liabilities	5.67	8.77
c. other finance costs	23.71	59.27
<b>TOTAL</b>	<b>383.38</b>	<b>428.90</b>

## 31 Other expense

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>(a) Manufacturing expenses</b>		
Weaving Charges	144.10	29.31
Lamination Charges	5.95	0.21
Power & Fuel	930.18	728.54
Bags Making Charges	679.21	767.96
Tarpaulin Making Charges	8.39	1.75
Repairs & Maintainance Plant & Machinery	456.77	257.06
<b>(b) Selling and distribution expense</b>		
Advertisement & Publicity	2.88	1.87
Freight Expenses	1,008.57	743.06
Packing & Forwarding Expenses	128.72	118.61
Sales Promotion & Entertainment	12.40	23.76
Commission	36.84	43.68
Loss Allowances	48.22	13.77
Travelling by Directors	-	26.76
Travelling by Others	5.37	22.26
<b>(c) Administration &amp; Other Expenses</b>		
Conveyance Expenses	87.95	57.88
Cleaning services	35.65	29.03
Director's Sitting Fees	0.82	0.58
Advance License Fees	5.62	4.90
Factory Licence Expenses	2.29	1.30
GST Paid / Service tax / Excise Expenses	5.69	5.73
Insurance Expenses	73.93	73.94
Internet Expenses	4.09	3.30
Legal & Professional Charges	85.76	77.55
Loss/ ( Profit) on sale of vehicle	3.83	-8.30
Loss/ ( Profit) on sale of Plant and Machinery	-	-4.74
Membership Fees & Subscription	1.25	4.56
Miscellaneous Expenses	76.35	70.83
Prepaid Expense on EMD	1.57	1.27
Postage & Courier	14.83	22.15
Repairs of Computer	8.97	6.30
Repairs (Others )	11.67	11.33
Rebate, Shortage & Rate Diff.	33.39	9.87
Rent, Rates & Taxes	34.82	29.43
Stationary & Printing	17.24	14.62
Telephone & Communication Expenses	5.30	8.45
Vehicle Running & Maintainance	10.42	10.96
Foreign Exchange Difference Loss/(Gain)	-32.02	168.34
Water & Light Charges	93.41	73.43
Export Benefit Received ( Loss )	140.81	2.49
Other Donation	1.31	0.30
<b>(d) Auditors remuneration</b>	1.75	1.75
<b>(e) Corporate social responsibility</b>	25.62	19.99
	4,219.93	3,475.82

The above schedule on 'other Expenses' includes the following nature of expenses -

**a. Short Term Lease Payment recognised as an expense on straight line basis over the lease term : (Rupees In Lakhs)**

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
Sanwer Road Godown	3.60	4.07
Dhamnod Shed	13.32	9.73
Pithampur Hostel	8.69	8.59
Short term leases	25.61	22.38

**b. Amount of Foreign Exchange difference recognised in the P&L account, except those arising on financial instruments, are :**

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
Exchange difference	-32.02	65.09

**32. Other comprehensive income**

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(a) Items will not be reclassified to profit and loss a/c</b>		
(i) Remeasurements of the defined benefit plans	-51.26	-1.70
<b>TOTAL</b>	<b>-51.26</b>	<b>-1.70</b>

**33 Contingent liabilities and commitments (to the extent not provided for)**

(Rupees In Lakhs)

	31/03/2021	31/03/2020
(I) Contingent liabilities		
(a) claims against the company not acknowledged as debt	12.64	11.23
(b) guarantees excluding financial guarantees	1,053.00	-
(c) other money for which the company is contingently liable	-	-
(ii) Commitments		
(a) estimated amount of contracts remaining to be executed on capital account and not provided for (Refer note no. 3 for capital commitments)	35.00	1,071.80
(b) uncalled liability on shares and other investments partly paid;	-	-
(c) other commitments	-	-

### In respect of Sales Tax

Demands amounting to Rs.12.64 lakhs ( Previous Year 11.23 Lakhs) have been raised by the Indirect Tax Authorities which is contested by the company based on management evaluation and legal advice of tax consultants. Based on legal advice that these amounts would get deleted or substantially reduced, the Company has not recognized these as liabilities.

### 34 Counter Guarantees Issued

The banks have issued various guarantees to third parties on behalf of the Company. The Company issues a "counter guarantee" in favor of such banks in order to indemnify those banks. These amounts are not considered as contingent liabilities of the Company.

(Rupees In Lakhs)

Particulars	31/03/2021	31/03/2020
Counter Guarantee issued by Company	277.08	658.77

### 35 Income Taxes

#### a. The income tax expense consists of the following

(Rupees In Lakhs)

	31/03/2021	31/03/2020
<b>Current Tax</b>		
Current tax expense for current year	276.59	255.85
Current tax expense/ (benefit) pertaining to prior years	-	-8.22
<b>Total current tax expenses</b>	<b>276.59</b>	<b>247.63</b>
<b>Deferred Tax</b>		
Deferred tax expense for current year	-24.85	53.73
Deferred tax benefit pertaining to prior years		
<b>Total income tax expense recognised in current year</b>	<b>251.74</b>	<b>301.36</b>

(Refer note no 2.5 (m) for accounting policy on Income Taxes)

#### b. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income

tax expense reported in statement of profit and loss is as follows:

(Rupees In Lakhs)

	31/03/2021	31/03/2020
Profit before tax	1,460.32	1,442.21
Indian statutory income tax rate	17.47%	17.47%
Expected income tax expense	255.12	251.95
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense</b>		
Tax holidays	-	-
Tax pertaining to prior years	-	-8.22
Others (net)	21.47	3.90
<b>Total income tax expense</b>	<b>276.59</b>	<b>247.63</b>

The Company has estimated that the Indian statutory income tax rate applicable to the Company would be 17.47% under sec 115JB for year ended 31st March 2021.

**c. Reconciliation between the average effective tax rate and the applicable tax rate**

	31/03/2021	31/03/2020
	Tax Rate %	Tax Rate %
Tax Rate %Statutory Income tax rate	17.47	17.47
Difference due to tax of previous year	0.85	-0.57
other reasons	-	0.27
Average effective tax rate	18.32	17.17

**36 Segment information**

The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM'):

- Manufacturing segment - Business of manufacture and sale of FIBC, Zumbo bags, Poly Tarpaulin, Woven Sacks / Bags, Box Bags, PP / HDPE Fabric, Liner and Flexible Packaging which mainly have same risks and returns.
- Trading segment - Trading of Granule (Del credere agent cum Consignment Stockiest)

Power generated from solar power is captively consumed. The solar power generation segment is integral part of manufacturing segment'.

The above business segments have been identified considering :

- the nature of products and services
- the differing risks and returns
- the internal organisation and management structure, and
- the internal financial reporting systems.

The Company's Chief operating Decision maker is Managing Director and Chief Executive Officer.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**STANDALONE SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND  
SEGMENT LIABILITIES FOR THE YEAR ENDED ON 31ST MARCH, 2021**

(Rupees In Lakhs)

Particulars	Manufacturing Segment	Trading of Granules Segment	Consolidated Total
	Current Year ended on 31.03.2021	Current Year ended on 31.03.2021	Current Year ended on 31.03.2021
Revenue			
Revenue from External Customers	21,125.38	263.72	21,389.10
Inter Segment Revenue	-	-	-
Other Operating Revenue	-	-	-
Interest revenue	28.67	114.08	142.75
Segment Revenues	21,154.05	377.80	21,531.85
<b>Total Segment Revenue</b>	<b>21,154.05</b>	<b>377.80</b>	<b>21,531.85</b>
<b>Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)</b>			
Results	2,378.72	217.20	2,595.93
Less: Finance Cost	-277.85	-105.53	-383.38
Less: Depreciation	-752.07	-0.15	-752.22
Profit Before Tax	1,348.80	111.52	1,460.32
Less : Current Tax	-	-	-276.59
Less : Deferred Tax	-	-	24.85
<b>Profit After Tax</b>	<b>1,097.06</b>	<b>111.52</b>	<b>1,208.58</b>
<b>Segment Assets</b>			
(a) Property, Plant & Equipments	7,747.18	0.50	7,747.68
(a) Capital Work In Progress	27.77	-	27.77
(a) Other Assets	9,614.65	1,305.82	10,920.47
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	47.62
- Deffered Tax Assets	-	-	-
<b>Total</b>	<b>17,389.60</b>	<b>1,306.32</b>	<b>18,743.54</b>
<b>Segment Liabilities</b>			
(a) Borrowings	6,279.93	793.63	7,073.56
(b) Other Liabilities	3,621.37	159.45	3,780.82
(c) Unallocated	-	-	-
-Current Tax Liabilities	-	-	9.06
-Deferred Tax Liabilities	-	-	-
<b>Total</b>	<b>9,901.30</b>	<b>953.08</b>	<b>10,863.44</b>
Equity Share Capital	-	-	1,181.74
Other Equity	-	-	6,698.35
<b>Total Equity &amp; Liability</b>	<b>-</b>	<b>-</b>	<b>18,743.54</b>

**STANDALONE SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND  
SEGMENT LIABILITIES FOR THE YEAR ENDED ON 31ST MARCH, 2020 (Rupees In Lakhs)**

Particulars	Manufacturing Segment	Trading Segment	Consolidated Total
	Current Year ended on 31.03.2020	Current Year ended on 31.03.2020	Current Year ended on 31.03.2020
<b>Revenue</b>			
Revenue from External Customers	18,325.60	263.03	18,588.62
Inter Segment Revenue			-
Other Operating Revenue	508.61	-	508.61
Interest revenue	21.34	134.34	155.68
<b>Segment Revenues</b>	<b>18,834.20</b>	<b>263.03</b>	<b>19,097.23</b>
Less: Inter Segment Revenue	-		-
Other Income	30.75	0.04	30.79
<b>Total Segment Revenue</b>	<b>18,886.29</b>	<b>397.41</b>	<b>19,283.70</b>
<b>Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)</b>			
Results	2,308.68	252.54	2,561.22
Less: Finance Cost	-360.35	-68.55	-428.90
Less: Depreciation	-689.79	-0.33	-690.11
Profit Before Tax	1,258.55	183.66	1,442.21
Less : Current Tax	-	-	-247.63
Less : Deferred Tax	-	-	-53.73
<b>Profit After Tax</b>	<b>-</b>	<b>-</b>	<b>1,140.85</b>
<b>Segment Assets</b>			
(a) Property, Plant & Equipments	5,803.01	0.33	5,803.34
(a) Capital Work In Progress	1,383.69	-	1,383.69
(a) Other Assets	5,650.07	1,099.83	6,749.90
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	62.03
- Deffered Tax Assets	-	-	-
<b>Total</b>	<b>12,836.78</b>	<b>1,100.15</b>	<b>13,998.96</b>
<b>Segment Liabilities</b>			
(a) Borrowings	3,835.61	715.41	4,551.03
(b) Other Liabilities	2,093.15	101.27	2,194.42
(c) Unallocated	-	-	-
-Current Tax Liabilites	-	-	-
-Deferred Tax Liabilites	-	-	362.43
<b>Total</b>	<b>5,928.76</b>	<b>816.68</b>	<b>7,107.88</b>
Equity Share Capital	-	-	1,181.74
Other Equity	-	-	5,709.34
<b>Total Equity &amp; Liability</b>	<b>-</b>	<b>-</b>	<b>13,998.96</b>

Details of revenue based on geographical location of customers is as below:

(Rupees In Lakhs)

	31.03.2021	31.03.2020
India	5,634.29	5,116.36
Outside India	15,897.56	13,980.87

**Information about major customers**

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2021 and March 31, 2020.

**37 Related Party Disclosures :-**
**(i) List of related parties where control exists and related parties with whom transaction have taken place and relationship :-**
**Name of the Related Parties**

Relation	Name
Entities where control exists -Subsidiaries	Comsyn India Private Limited (a wholly owned subsidiary incorporated on 26th August, 2020)
Key Management Personnel	Shri Anil Choudhary Smt Ranjana Choudhary Shri Virendra Singh Pamecha Shri Hitesh Mehta Shri Chintan Singhvi (resigned w.e.f. 27th November, 2020) Shri Vijay Kumar Bansal (appointed w.e.f. 14th February, 2021) Shri Milind Mahajan Shri Ravindra Choudhary Shri Abhishek Jain Smt Anamika Gupta (resigned w.e.f. 15th July, 2020) Shri Sandeep Patel (appointed w.e.f. 16th July, 2021)
Relatives of Key Management Personnel with whom there was transaction during the year	Shri Pramal Choudhary Smt Shruti Choudhary Smt Parul Choudhary Smt Vidhya Choudhary
Enterprises over which Key Management personnel or their relatives are able to exercise significant influence	M/s Choudhary Highway Services M/s Mohra Seeds M/s Page Paper Mart M/s Gangotri Enterprises M/s Pooranmal Laxminarayan
Investing Party in respect of which the reporting enterprise is an associate	M/s Super Sack Pvt Ltd

## (ii) Transactions with related parties are as follows :-

(Rupees In Lakhs)

Name of Party	Amount 31-03-2021	Outstanding balances (Including Commitments) as on 31-03-2021	Amount 31-03-2020	Outstanding balances (Including Commitments) as on 31-03-2020
<b>Subsidiaries</b>				
<b><u>Comsyn India Private Limited</u></b>				
Loans given	479.28	479.28	-	-
Sale Of Property, Plants & Equipments	25.04	-	-	-
Sale of Goods	18.48	-	-	-
Purchase of Goods/Job Work Expenses	58.27	-	-	-
Interest Income	9.14	-	-	-
<b>Key Managerial Person - Remuneration</b>				
Shri Anil Choudhary	40.38	3.75	36.00	3.25
Smt Ranjana Choudhary	13.00	1.25	12.00	1.00
Shri Virendra Singh Pamecha	12.50	1.10	11.67	1.00
Shri Hitesh Mehta	0.52	0.52	0.32	0.12
Shri Chintan Pushpraj Singhvi	-	-	0.04	0.02
Shri Milind Mahajan	0.30	0.30	0.22	0.08
Shri Ravindra Choudhary	25.87	2.25	25.50	2.25
Shri Abhishek Jain	9.63	0.85	10.35	0.85
Smt Anamika Gupta	0.92	-	3.32	0.32
Shri Sandeep Patel	2.08	0.30	-	-
<b>Shri Ravindra Choudhary (Rent)</b>	<b>3.60</b>	<b>-</b>	<b>4.80</b>	<b>2.93</b>
<b>Key Managerial Person - Unsecured loan taken by Company</b>				
Shri Anil Choudhary	50.00	75.92	-	25.92
Smt Ranjana Choudhary	-	8.11	-	8.94
<b>Relatives of Key Managerial Person - Remuneration</b>				
Shri Pramal Choudhary	34.63	3.25	30.00	2.75
Smt Parul Choudhary	7.25	0.75	6.00	0.50
Smt Shruti Choudhary	5.75	0.50	6.00	0.50
<b>Enterprises over which KMP personnels or their relatives</b>				
Smt Vidhya Choudhary (Suprabhu) - Rent	13.32	1.20	8.90	0.74
Choudhary Highway Services - (Purchase)	37.11	4.41	29.14	1.11
Page Paper Mart (Prop Mr. Pramod Jain) - (Purchase)	-	-	1.13	-
Pooranmal Laxminarayan - (Purchase)	114.35	36.05	68.78	8.40
Mohra Seeds (Sales)	7.45	-	13.61	3.59
Pooranmal Laxminarayan (Sales)	9.68	-1.07	8.17	1.46
M/s Gangotri Enterprises - (Sales)	-	2.41	-	2.41
<b>Investing party in respect of which the Reporting Enterprise is an Associate</b>				
Super Sack Pvt. Ltd. - (Interest)	-	-	-	-

**Remuneration paid to Key Managerial Person**

The above figures do not include provisions for gratuity as separate actuarial valuation are not available and the cost to develop it would be excessive.

The contributions to defined contribution plans for key management personnel in respect of Provident fund is Rs. .79 lakhs (Previous Year : Rs. 1.30 lakhs)

## 38. Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs. 25.62 Lakhs (Previous Year Rs. 21.06 Lakhs).

The company is having unspent amount of Rs. 54.18 Lakhs upto Previous Year 2019-20.

(b) Expenditure related to Corporate Social Responsibility is Rs. 3.43 Lakhs (Previous Year Rs. 19.99 Lakhs)

Details of Amount spent towards CSR given below:

(Rupees In Lakhs)

	31/03/2021	31/03/2020
Promotion of Education	0.26	0.81
Animal Welfare	-	5.74
Healthcare	0.25	-
Fund set up by Central Government	0.05	0.16
Reduction of inequalities by socially and economically backward groups and upliftment of deprived underprivileged	2.87	12.97
Gender Equality, Empowerment of Women	-	0.31
<b>Total Amount</b>	<b>3.43</b>	<b>19.99</b>

## 39. Research &amp; Development

The company conducts its R&D initiatives with the broad framework of innovation initiatives.

The company purchased technologically upgrade Circular , Loom, Stitching, Machine, Ultrasonic, Cutting and Sealing Machine, for is units.

## 40. Disclosures pursuant to regulation 34 (3) of securities and exchange board of India (listing obligations and disclosure requirements) regulations, 2015 and Section 186 of the companies act, 2013

## (a) Loans to Subsidiaries

(Rupees In Lakhs)

<b>1. Comsyn India Private Limited</b>	31/03/2021	31/03/2020
Balance as at the beginning of the year	0	-
Loans given	479.28	-
Loans repaid	0	-
Balance as at the end of the year	479.28	-
Maximum amount outstanding at any time during the year	479.28	-

Comsyn India Private Limited has utilized the loan for working capital requirements and capital expenditure. It is repayable within a year and carries an average rate of interest at 7.5% during the year

## (b) Investment by the loanees in the shares of the Company

The loanees have not made any investments in the shares of the Company.

(Rupees In Lakhs)

<b>(c) Details of Non-current Investments made by the Company</b>	31/03/2021	31/03/2020
A. Equity Instruments		
<u>Unquoted equity instruments</u>		
150000 shares of Rs 10 each in Comsyn India Private limited	15	-
1800 shares of Rs 10 each in Comsyn Foundation	0.18	-
<b>Total</b>	<b>15.18</b>	<b>-</b>

(d) Refer Note 4 for details of Investments in subsidiaries.

(e) Details of guarantees given

Corporate Guarantee given to Kotak Mahindra Bank Limited for credit facility availed by Comsyn India Private Limited outstanding Rs. 403.52 Lakhs.

(f) The Company has not provided any security covered under Section 186 and accordingly, the disclosure requirements to that extent does not apply to the Company

#### 41 Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

(Rupees In Lakhs)

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
<b>Financial Assets</b>							
Trade Receivables	8					2,132.36	2,132.36
Cash and cash equivalents	9					237.75	237.75
Bank Balances	10					367.18	367.18
Loan	11					486.87	486.87
Investments	4	0.18				15.00	15.18
Other Financial Assets (Current)	12					6.40	6.40
Other Financial Assets ( Non Current )	5	27.57				499.44	527.01
<b>Total</b>		<b>27.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,744.99</b>	<b>3,772.74</b>
<b>Financial Liabilities</b>							
Borrowings (Current)	19					4,207.89	4,207.89
Borrowings ( Non Current )	16					2,857.38	2,857.38
Trade Payables	20					1,005.69	1,005.69
Other Financial Liabilities	21			3.86		1,049.99	1,053.84
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3.86</b>	<b>-</b>	<b>9,120.95</b>	<b>9,124.81</b>

Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2020 is as follows:

(Rupees In Lakhs)

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
<b>Financial Assets</b>							
Trade Receivables	8					1,843.06	1,843.06
Cash and cash equivalents	9					35.74	35.74
Bank Balances	10					413.06	413.06
Loans	11					9.79	9.79
Other Financial Assets	12			-		1.03	1.03
Other Financial Assets ( Non Current )	5	28.03				290.38	318.41
<b>Total</b>		<b>28.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,593.04</b>	<b>2,621.07</b>
<b>Financial Liabilities</b>							
Borrowings	19					1,788.14	1,788.14
Borrowings ( Non Current )	16					2,762.88	2,762.88
Trade Payables	20					585.49	585.49
Other Financial Liabilities	21			83.88		807.90	891.78
<b>Total</b>		<b>-</b>	<b>-</b>	<b>83.88</b>	<b>-</b>	<b>5,944.42</b>	<b>6,028.30</b>

Carrying amounts of trade receivables, cash and cash equivalents, bank balances, and trade payables as at March 31, 2021 and 2020, approximate the fair value.

Difference between carrying amount and fair value of Loans, Other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant. Fair value measurement of lease liabilities is not required.

(Rupees In Lakhs)

A. Particulars	Note No.	31-03-2021	31-03-2020
Carrying amount of Financial assets pledged as collateral for liabilities	8&10	2499.54	1839.06
Carrying amount of Financial assets pledged as collateral for contingent liabilities	15	367.18	413.06
		<b>2866.72</b>	<b>2252.11</b>

**Terms and conditions relating to pledge :-**

Trade Receivables & Other Financial Assets: All existing/ future Trade Receivables & Other Financial Assets have been hypothecated to secure working capital loan.

Fixed Deposit have been pledged to secure the Bank Guarantee issued in our favour.

(Rupees In Lakhs)

a. Particulars	Note No.	31-03-2021	31-03-2020
net gains or net losses on financial assets measured as FVTPL upon initial recognition	30	1.79	1.37
financial assets measured at amortised cost	30	25.72	12.86
financial liabilities measured as FVTPL upon initial recognition		-	-
financial liabilities measured at amortised cost		-	-

(Rupees In Lakhs)

b. Particulars	31-03-2021	31-03-2020
An analysis of gain / loss recognised in statement of profit and loss, arising from the derecognition of financial assets measured at amortised cost These Financial Assets are considered by Management as irrecoverable and have been derecognised.	25.72	12.86

**B Financial Risk Management**

The Company is exposed primarily to market risks being fluctuations in foreign currency exchange rates and interest rate, and other risks namely credit and liquidity risks, which may adversely impact the fair value of its financial instruments. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company has a risk management policy which covers risks associated with financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate the potential adverse effects on the financial performance of the Company.

### Management of Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

#### Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

The Company as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the functional currency of the Company.

#### Foreign Currency Risk

The following table shows foreign currency exposures in US Dollar, Euro and Great Britain Pound on financial instruments at the end of the reporting period.

(Rupees In Lakhs)

Foreign Currency Exposure							
Particulars	As at 31 March 2021			As at 31 March 2020			Note No.
	USD	EUR	GBP	USD	EUR	GBP	
Borrowings		1060.99			1279.32		16
Trade and other receivables	763.68	33.31	31.48	483.27	77.67	15.20	8

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges:

(Rupees In Lakhs)

Particulars	As at 31 March 2021			As at 31 March 2020		
	USD	EUR	GBP	USD	EUR	GBP
<b>1% Depreciation in INR</b>						
Impact on Equity / P&L	7.64	10.94	0.31	4.83	13.50	0.15
<b>Total</b>						
<b>1% Appreciation in INR</b>						
Impact on Equity / P&L	7.64	10.94	0.31	4.83	13.50	0.15
<b>Total</b>						

#### Interest rate risk

The Company is also exposed to interest rate risk, changes in interest rates will affect future cash flows or the fair values of its financial instruments, principally debt. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rupees In Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
Borrowings			
Non-Current – Floating (includes Current Maturities)	16 & 21	3571.27	3407.64
Current	19	4207.89	1788.14
<b>Total</b>		<b>7779.16</b>	<b>5195.79</b>

Sensitivity analysis of .75% change in Interest rate:

(Rupees In Lakhs)

Interest Rate Sensitivity				
Particulars	As at 31 March 2021		As at 31 March 2020	
	UP MOVE	DOWN MOVE	UP MOVE	DOWN MOVE
Impact on Equity / P&L	57.78	57.78	23.58	23.58
Total Impact	57.78	57.78	23.58	23.58

### Management Of Credit Risk

Credit risk is the risk that a customer or counter party to a financial instrument fails to perform or pay the amount according to the contractual terms or obligations causing financial loss to the Company

Credit risk encompasses of risk of default, risk of deterioration of creditworthiness as well as concentration of risks.

credit risk is controlled by analysing credit limits and creditworthiness of customers of a continuous basis to whom the credit has been granted

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk is Rs 3744.99 lakhs ( Rs 2593.04 lakhs in preceding year) being the total of carrying amount of trade receivables, balance with banks, bank deposits and other financial assets.

### Trade receivables

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

### Other financial assets

The Company maintains exposure in bank balances and term deposits with banks. Considering insignificant amounts and short term nature, there is no significant risks pertaining to these assets.

### Management of Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date.

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

"The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed and uncommitted borrowing/ facilities"

The Company has maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(Rupees In Lakhs)

Maturity analysis for financial liabilities for the year ended 31/03/2021	Note No.	carrying value	contractual cash flows	less than one year	between one to five years	more than five yearse
(a) a maturity analysis for non-derivative financial liabilities						
Borrowings ( Current Liabilities)	19	4216.18		4216.18		
Trade Payables	20	1005.69		1005.69		
Borrowings (Non- Current Liabilities)	16	2744.43		-	2,706.78	37.65
Other Financial Liabilities	21	1045.55		1045.55		
Lease Obligations	16	112.96		10.63	42.35	188.76

Maturity analysis for financial liabilities for the year ended 31/03/2020					(Rupees In Lakhs)	
(a) a maturity analysis for non-derivative financial liabilities						
Borrowings ( Current Liabilities)	19	1788.14		1788.14		
Trade Payables	20	585.49		585.49		
Borrowings (Non- Current Liabilities)	16	2666.24		568.80	1818.52	415.51
Other Financial Liabilities	21	589.67		589.67		
Lease obligations	16	96.64		7.51	30.02	110.86

Fair value measurement heirarchy

Fair value measurement heirarchy as at 31st March 2021

The following table summarises financial assets and liabilities measured at fair value

(Rupees In Lakhs)

Particulars	Note No.	Carrying	Level of inputs used			Total
		Amount	Level 1	Level 2	Level 3	
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Trade Receivables	8	2132.36				2132.36
Cash and Cash Equivalents	9	237.75				237.75
Bank Balances	10	367.18				367.18
Loans	11	486.87				486.87
Investments	4	15.00				15.00
Other financial assets	12	2.39				2.39
Others Financial Assets ( Non Current Portion )	5	499.62				499.62
<b>At FVTPL</b>						
Earnest Money Deposit	5				25.10	25.10
Lease Security Deposit	5				2.29	2.29
Investments	4				0.18	0.18
<b>At FVTOCI</b>						
<b>Total</b>		<b>3741.16</b>	<b>0.00</b>	<b>0.00</b>	<b>27.57</b>	<b>3768.73</b>
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings ( Non- Current Liabilities)	16	2857.38				2857.38
Borrowings	19	4216.18				4216.18
Trade Payables	20	1005.69				1005.69
Other Financial Liabilities	21	1049.99				1049.99
At FVTPL						
Forward Contract	21	3.86				3.86
<b>Total</b>		<b>9133.10</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9133.10</b>

Fair value measurement hierarchy as at 31st March 2020

The following table summarises financial assets and liabilities measured at fair value

(Rupees In Lakhs)

Particulars	Note No.	Carrying	Level of inputs used			Total
		Amount	Level 1	Level 2	Level 3	
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Trade Receivables	8	1843.06				1843.06
Cash and Cash Equivalents	9	35.74				35.74
Bank Balances	10	413.06				413.06
Loans	11	9.79				9.79
Other financial assets	12	1.03				1.03
Others Financial Assets ( Non Current Portion )	5	290.38				290.38
<b>At FVTPL</b>						
Earnest Money Deposit	5				24.21	24.21
Lease Security Deposit	5				3.82	3.82
<b>At FVTOCI</b>						
<b>Total</b>		<b>2593.04</b>	<b>0.00</b>	<b>0.00</b>	<b>28.03</b>	<b>2621.07</b>
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings ( Non- Current Liabilities )	16	2762.88				2762.88
Borrowings	19	1788.14				1788.14
Trade Payables	20	585.49				585.49
Other Financial Liabilities	21	807.90				807.90
<b>At FVTPL</b>						
Forward Contract	21	83.88				83.88
<b>Total</b>		<b>6028.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6028.30</b>

Reconciliation of fair value measurement of the investment categorised at level 3:

(Rupees In Lakhs)

Particulars	31st March, 2021 At FVTPL	31st March, 2020 At FVTPL
Opening Balance	28.03	24.82
Addition during the year	17.44	5.39
Sale/Reduction during the year	19.69	3.55
Total Gain/(loss)	1.79	1.37
Closing Balance	27.57	28.03

#### Derivative financial instruments and hedging activity

The company's revenue is denominated in various foreign currencies. Given the nature the business, a large portion of costs are denominated in Indian Rupees. This exposes the company to currency fluctuations.

The Board of Directors have constituted a Risk Management Committee to frame, implement and monitor the risk management plan of the company which inter alia covers risks arising out of exposure of foreign currency fluctuations.

The company uses various derivative instruments such as foreign exchange forward in which the counter party is generally the bank.

The following are outstanding foreign currency forward contracts, which have been designated as fair value hedges -

**Hedging Instruments**

A. Fair Value hedge

Hedging Instruments

Particulars	Note No.	No. of Contracts	Nominal Amount of Contracts	Carrying Amount Assets (Rs. In Lakhs)	Amount Liabilities (Rs. in Lakhs)	Hedge Maturity
As at 31st March 2021						
<b>Foreign currency risk</b>						
<b>Foreign currency - Forwards</b>						
US Dollar	12	40	1,850,000	-	4.45	Sep-21
Euro	12	24	943665	11.18	-	Sep-21
Great Britain Pound	12	17	370,000	0.56	-	Aug-21
As at 31st March 2020						
<b>Foreign currency risk</b>						
<b>Foreign currency - Forwards</b>						
US Dollar	21	32	1605000	0.00	49.28	Sep-20
Euro	21	20	1035461	0.00	33.88	Jul-20
Great Britain Pound	21	9	259450	0.00	0.72	Sep-20

Line Item in balance sheet - Shown under Other Financial Liabilities ( Current Liabilities) in FY 2020-21

Line Item in balance sheet - Shown under Other Financial Assets ( Current Assets) in FY 2019-20

**Hedging Item**

A. Fair Value hedge

Hedging Item

Particulars	Note No.	Amount in Foreign Currency	Hedge Maturity
<b>As at 31st March 2021</b>			
Items			
Trade Receivables and firm commitment	8		
US Dollar		1850000	Sep-21
Euro		943665	Sep-21
Great Britain Pound		370000	Aug-21
As at 31st March 2020			
<b>Items</b>	<b>8</b>		
<b>Trade Receivables and firm commitment</b>			
US Dollar		1605000	Sep-20
Euro		1035461	Jul-20
Great Britain Pound		259450	Sep-20

Line Item in balance sheet -

In respect of some financial assets the Company does not recognise a gain or loss on initial recognition of a financialpara 107.28 and 29 EMD tenders, security deposits with MPAKVN asset or financial liability because the fair value is neither evidenced by a quoted price in an active market for an identical asset or liability (i.e.a Level 1 input) nor based on a valuation technique that uses only data from observable markets.

The Company has so concluded because these financial assets are interest free deposits made by Company.

(Rupees In Lakhs)

	31st March, 2021	31st March, 2020
aggregate difference yet to be recognised in profit or loss		
at the beginning	11.59	11.91
reconciliation of changes	-0.46	0.32
at the end of the period	12.05	11.59

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2021

(Rupees In Lakhs)

	Note No.	Balance The beginning of the year	Change during the year	Bed debtss written off	Balance at the end of the year
trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15	8 & 30	19.38	74.39	25.47	68.81
<b>Total</b>		<b>19.38</b>	<b>74.39</b>	<b>25.47</b>	<b>68.81</b>

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2020

(Rupees In Lakhs)

	Note No.	Balance The beginning of the year	Change during the year	Bed debtss written off	Balance at the end of the year
The loss allowance measured at an amount equal to lifetime expected credit losses for trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15	8 & 30	5.61	26.63	12.86	19.38
<b>Total</b>		<b>5.61</b>	<b>26.63</b>	<b>12.86</b>	<b>19.38</b>

The accompanying notes are an integral part of the financial statements.  
For and on behalf of the Board of Directors

**Anil Choudhary**  
Managing Director  
DIN 00017913

**Ranjana Choudhary**  
Whole Time Director  
DIN 03349699

**Ravindra Choudhary**  
Chief Executive Officer

**Abhishek Jain**  
Chief Financial Officer

**Sandeep Patel**  
Company Secretary  
M. No. - ACS 54908

Place: Indore  
16.06.2021

As per our report of even date attached  
For **Avinash Agrawal & Co**  
Chartered Accountants  
FRN :022666C

(**CA Avinash Agrawal**)  
Partner  
M.No. 410875

## INDEPENDENT AUDITOR'S REPORT

To the Members of Commercial Syn Bags Limited.

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying consolidated financial statements of Commercial Syn Bags Limited ("the Holding Company") and its subsidiary (Holding company and subsidiary company together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

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") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2021 and its consolidated profits and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit of the consolidated financial statements 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 Standalone 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 ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and rules made there under, 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.

#### 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 are 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.

The key audit matter	How the matter was addressed in our audit
<p>I. Inventories lying as at year end and its valuation (See note 7 to the consolidated financial statements)</p> <p>The Company has reported inventory of Rs. 5687.42 lakh as at year end. It is forming substantial part of current assets of Company</p> <p>We have decided this item as a key audit matter because of—</p> <ol style="list-style-type: none"> <li>1. Significant inventory level and value,</li> <li>2. Complexities involved in determining               <ol style="list-style-type: none"> <li>i. quantities of inventory at year end at multiple locations,</li> <li>ii. Valuation of inventory because of multiple products and stages of processing.</li> </ol> </li> </ol>	<p>Our audit procedures included the following:</p> <p>Testing the design, implementation and operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over recording of inventories.</p> <p>Understanding the Company's process and procedures for physical verification of inventories at year end.</p> <p>Assessing the methods used to value inventories and ensuring ourselves of the consistency of accounting methods.</p> <p>Inspecting the reported acquisition cost on a sample basis.</p>

	<p>Analyzing of the Company's assessment of net realizable value, as well as reviewing of assumptions and calculations for stock obsolescence.</p> <p>Assessing of appropriateness of disclosures provided in the financial statements.</p>
<p>II. Set up of new manufacturing facility (See note 3 to the consolidated financial statements)</p> <p>Capitalization of costs of acquisition and construction of Property, Plant and Equipment of Rs. 2310.10 lakhs, forming part of the company's new manufacturing facility, the setup of which was completed during the year.</p> <p>We have decided this item as a key audit matter because of—</p> <p>I. substantial capital outlay, and</p> <p>ii. a substantial increase in borrowed funds</p>	<p><b>Our audit procedures included the following:</b></p> <p>Testing the design, implementation and operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over recording of property, plant and equipment.</p> <p>Understanding the Company's process and procedures for physical verification of property, plant and equipment at year end.</p> <p>Assessing the methods used to value property, plant and equipment and ensuring ourselves of the consistency of accounting methods.</p> <p>Inspecting the reported acquisition cost on a sample basis.</p> <p>Assessing of appropriateness of disclosures provided in the financial statements.</p>

### Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's and Board of Directors' responsibilities for the Audit of the Standalone Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the 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, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 consolidated financial statements that give a true and fair view and are free material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are 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 not realistic alternative to do so.

The respective Board of Directors are responsible for over viewing the Company's financial reporting process.

#### **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 the SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of the users taken on the basis of these standalone 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 risk 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial control system in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Director'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 Holding 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 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the

consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charge 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 preclude 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 section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 auditors;
  - c) The consolidated balance sheet, the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statements of Cash Flow dealt with by this report are in agreement with relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - 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, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
2. 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, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Holding Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. (Refer Note 33 to the standalone financial statements.)

- ii. The Group did not have any long-term contracts for which there were any material foreseeable losses. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts. (Refer Note 21 to the standalone financial statements.)
- iii. There has been no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.

**Place :** Indore  
**Dated :** 16th June, 2021

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**ICAI Reg. No.: 022666C**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN : 21410875AAACE3798**

## ANNEXURE –A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

*(Reference to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements section of our report to the members of Commercial Syn Bags Limited on the consolidated financial statements as of and for the year ended March 31, 2021)*

### **Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of M/S Commercial Syn Bags Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended 31 March 2021, We have audited the internal financial controls with reference to consolidated financial statements of the Holding company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, an adequate internal financial controls system over financial reporting with reference to consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the such 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.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Company’s management and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to consolidated financial statements criteria established by the respective 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 (‘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 respective Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to consolidated financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting with reference to consolidated 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, 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 Over Financial Reporting**

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

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**ICAI Reg. No.: 022666C**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN : 21410875AAACE3798**

**Place : Indore**  
**Dated : 16th June, 2021**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021**

(Rupees In Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(a) Property Plant and Equipment	3	8,708.84	5,803.34
(b) Capital Work in Progress	3	29.52	1,383.69
(c) Other intangible assets	3	0.45	0.76
(d) Financial Assets			
(i) Investments	4	0.18	-
(ii) Loans	5	553.11	318.41
(e) Other non current assets	6	158.46	298.67
		<b>9,450.57</b>	<b>7,804.87</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	7	5,687.42	3,023.26
(b) Financial Assets			
(i) Trade Receivables	8	2,134.01	1,843.06
(ii) Cash and Cash Equivalents	9	237.87	35.73
(iii) Other Bank Balances	10	367.18	413.05
(iv) Loans	11	7.68	9.79
(v) Other financial assets	12	9.68	1.03
(c) Current Tax Assets		48.59	62.03
(d) Other Current Assets	13	1,727.59	806.14
		<b>10,220.02</b>	<b>6,194.09</b>
<b>TOTAL ASSETS</b>		<b>19,670.60</b>	<b>13,998.96</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	1,181.74	1,181.74
(b) Other Equity	15	6,688.06	5,709.34
		<b>7,869.80</b>	<b>6,891.08</b>
<b>LIABILITIES</b>			
<b>1 NON CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	3,670.58	2,762.88
(b) Provisions	17	241.72	77.43
(c) Deferred Tax Liability	18	338.32	362.43
		<b>4,250.62</b>	<b>3,202.74</b>
<b>2 CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	4,231.75	1,794.77
(ii) Trade Payables			
(A) total outstanding dues of micro and small enterprises;and	20	156.98	27.48
(B) total outstanding dues of creditors other than micro and small enterprises	20	938.87	558.02
(iii) Other financial liabilities	21	1,049.76	885.15
(b) Other Current Liabilities	22	609.99	289.56
(c) Current tax liabilities		9.06	-
(d) Provisions	23	553.77	350.16
		<b>7,550.17</b>	<b>3,905.15</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,670.60</b>	<b>13,998.96</b>
Basis of Preparation, Measurement and Significant Accounting Policies		1 to 2	

The accompanying notes are an integral part of these financial statements.  
 For and on behalf of the Board of Directors.

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 16.06.2021

**(CA Avinash Agrawal )**  
 Partner  
 M.No. 410875

**CONSOLIDATED PROFIT & LOSS STATEMENT FOR YEAR ENDED ON 31ST MARCH, 2021**

(Rupees In Lakhs)

PARTICULARS	Note No.	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>INCOME:</b>			
I Revenue From Operations	24	21,372.01	19,097.23
II Other Income	25	133.85	186.47
<b>III Total income (I+II)</b>		<b>21,505.85</b>	<b>19,283.70</b>
<b>IV EXPENSES:</b>			
Cost of materials consumed	26	11,537.43	10,418.18
Purchase of stock in trade	27	934.53	833.13
Changes in inventories of finished goods, stock in trade & work in progress	28	-1,542.66	-1,218.18
Employee benefit expense	29	3,755.66	3,211.82
Finance Costs	30	392.76	428.90
Depreciation and amortization expenses	4	765.85	690.11
Other Expenses	31	4,211.47	3,475.82
<b>Total expenses (IV)</b>		<b>20,055.04</b>	<b>17,839.78</b>
<b>V Profit/(loss) before tax (III-IV)</b>		<b>1,450.82</b>	<b>1,443.92</b>
VI Tax expense			
(1) Current tax	35	276.65	247.93
(2) Deferred tax Charge / ( Credit )	35	-24.11	53.73
<b>Total Tax (VI)</b>		<b>252.54</b>	<b>301.66</b>
<b>VII Profit/(Loss) for the year from continuing operations(V-VI)</b>		<b>1,198.29</b>	<b>1,142.26</b>
<b>VIII Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurments of the net defined benefit plans		-51.26	-1.70
(ii) Income tax relating to items that will not be reclassified to profit or loss		8.95	0.30
Total Other Comprehensive Income		-42.30	-1.40
<b>Total Comprehensive Income for the period</b>		<b>1,155.98</b>	<b>1,140.86</b>
IX Earnings per equity share (for continuing operation):			
Basic		10.14	9.67
Diluted		10.14	9.67
Basis of Preparation, Measurement and Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the financial statements.  
 For and on behalf of the Board of Directors.

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 16.06.2021

**(CA Avinash Agrawal )**  
 Partner  
 M.No. 410875

**BALANCE SHEET AS AT 31ST MARCH, 2021**
**Consolidated Statement of Changes in Equity for the year ended 31st March, 2021**
**a. Equity Share Capital**
**(Rs. in Lakhs)**

Balance at the beginning of the reporting period i.e. 1st April 2020	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March 2021
1,181.74	-	1,181.74

**b. Other Equity**
**(Rs. in Lakhs)**

	Reserves and Surplus				Other Comprehensive income	Total
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	Remeasurement of Net Defined Benefit Plan	
<b>AS ON 31st MARCH 2021</b>						
Balance at the beginning of the reporting period i.e. 1st April 2020	9.23	10.88	406.53	5,297.93	-15.23	5,709.33
Add :						
Profit for the year	-	-	-	1,198.29	-	1,198.29
Other comprehensive income	-	-	-	-	-42.30	-42.30
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>1,198.29</b>	<b>-42.30</b>	<b>1,155.98</b>
Dividend Paid	-	-	-	-177.26	-	-177.26
<b>Balance at the end of the reporting period i.e. 31st March 2021</b>	<b>9.23</b>	<b>10.88</b>	<b>406.53</b>	<b>6,318.95</b>	<b>-57.54</b>	<b>6,688.05</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020**
**a. Equity Share Capital**
**(Rs. in Lakhs)**

Balance at the beginning of the reporting period i.e. 1st April 2019	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period i.e. 31st March 2020
1,181.74	-	1,181.74

**b. Other Equity**
**(Rs. in Lakhs)**

	Reserves and Surplus				Other Comprehensive income	Total
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	Remeasurement of Net Defined Benefit Plan	
<b>AS ON 31 MARCH 2020</b>						
Balance at the beginning of the reporting period i.e. 1st April 2019	9.23	10.88	406.53	4,269.64	-13.83	4,682.46
Add :						
Profit for the Year	-	-	-	1,142.26	-	1,142.26
Other comprehensive income for the year	-	-	-	-	-1.40	-1.40
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>1,142.26</b>	<b>-1.40</b>	<b>1,140.86</b>
Dividend Paid (including tax of Rs. 19.43 lakhs )	-	-	-	-113.97	-	-113.97
<b>Balance at the end of the reporting period i.e. 31st March 2020</b>	<b>9.23</b>	<b>10.88</b>	<b>406.53</b>	<b>5,297.93</b>	<b>-15.23</b>	<b>5,709.34</b>

**a) Nature and purpose of Reserves.**
**1) Capital Reserve**

Capital reserve represents amount of share partly paid up share forfeited.

**2) General Reserves**

The general reserve is a free reserve which is used from time to time to transfer profits from/to retained earnings for appropriation purposes.

**3) Securities Premium**

The company recognised securities premium for recording the premium on issue of shares. It is used mainly for writing off share issue expenses

**4) Retained Earnings**

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

**5) Other Comprehensive Income**

Items of Other Comprehensive Income

Remeasurements of Net Defined Benefit Plans -

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

**6) Other information**

Dividends Paid

Dividends paid during the year ended March 31, 2021 is Rs. 1.50 per equity share which is towards final dividend for the year ended March 31, 2020.

Dividends paid during the year ended March 31, 2020 is Rs. 0.80 per equity share which is towards final dividend for the year ended March 31, 2019.

(Rs. in Lakhs)

	Final Dividend	Interim Dividend
	for FY 2019-20	for FY 2018-19
Declaration Date	02/09/2020	18/09/2019
Dividend per Equity Share	Re 1.50/- per equity share (@ 15%) of 10/- each	Re 0.80/- per equity share (@ 8%) of 10/- each
Dividend relinquished by Promoters	-	-
Total Dividend	177.26	94.54
Dividend Distribution Tax (DDT)	-	19.43
Total Outflow (Rs.)	177.26	113.97

The accompanying notes are an integral part of the financial statements.  
For and on behalf of the Board of Directors.

As per our report of even date attached  
For **Avinash Agrawal & Co**  
Chartered Accountants  
FRN :022666C

**Anil Choudhary**  
Managing Director  
DIN 00017913

**Ranjana Choudhary**  
Whole Time Director  
DIN 03349699

**Ravindra Choudhary**  
Chief Executive Officer

**Abhishek Jain**  
Chief Financial Officer

**Sandeep Patel**  
Company Secretary  
M. No. - ACS 54908

Place: Indore  
16.06.2021

**(CA Avinash Agrawal )**  
Partner  
M.No. 410875

**CONSOLIDATED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

(Rs. in Lakhs)

PARTICULARS	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	1399.56	1,442.21
<b>Adjusted for:</b>		
Depreciation and amortization expenses	765.85	690.11
Finance costs	378.80	420.13
Finance costs (Interest on lease liabilities)	13.96	8.77
Interest Income	(133.85)	(155.68)
Profit/Loss on sale of property, plant and equipment – Net	3.83	(13.04)
Loss Allowances	48.22	13.77
<b>Operating Profit before Working Capital Changes</b>	<b>2476.36</b>	<b>2,406.28</b>
<b>Adjusted for:</b>		
Decrease / (increase) in inventories	(2664.16)	(1,099.76)
Decrease(increase) in other financial assets (non-current)	(234.71)	(5.41)
Decrease(increase) in other non-current assets	140.21	(242.56)
Decrease(increase) in trade receivables	(339.59)	1,734.68
Decrease(increase) in loans given (current)	2.10	(4.33)
Decrease(increase) in other bank balances	45.88	0.00
Decrease(increase) in other financial assets (current)	(5.37)	18.34
Decrease(increase) in other current assets	(923.88)	489.76
Increase(decrease) in trade payable	510.34	(799.77)
Increase(decrease) in other financial liabilities (current)	(312.84)	368.43
Increase(decrease) in other current liabilities	524.03	211.68
Increase(decrease) in provisions (non current)	164.29	7.86
<b>Cash generated from operations</b>	<b>(617.34)</b>	<b>3,085.19</b>
Taxes paid (Net)	(264.70)	(378.23)
<b>Net Cash Flow from Operating Activities</b>	<b>(882.04)</b>	<b>2,706.96</b>
<b>A. Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment, Intangibles etc,	(1872.36)	(1,775.28)
Proceeds from disposal of tangible and intangible assets	17.17	30.65
Purchase of non-current investments	(0.18)	0.00
Interest Income	133.85	155.68
Net cash Flow for other financial assets	0.00	(115.90)
<b>Net Cash flow (Used in) Investing Activities</b>	<b>(1721.52)</b>	<b>(1,704.86)</b>
<b>B. Cash Flow From Financing Activities</b>		
Proceeds from issue of share capital	0.00	0.00
Proceeds from non current Borrowings	466.31	646.46
Payment of current borrowings	2914.42	(1,111.98)
Principal/Repayment of lease liabilities	(5.02)	(6.55)
Dividend paid (including Dividend Distribution Tax)	(177.26)	(113.97)
Interest paid	(392.76)	(420.13)
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>2805.69</b>	<b>(1,006.17)</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	<b>202.14</b>	<b>(4.07)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>35.73</b>	<b>39.87</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>2,378.7</b>	<b>35.73</b>
Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.		

The accompanying notes are an integral part of the financial statements.  
 For and on behalf of the Board of Directors

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 16.06.2021

**(CA Avinash Agrawal )**  
 Partner  
 M.No. 410875

Notes to the consolidated financial statements for the year ended 31st March, 2021

## 1 Group Information

Commercial Syn Bags Limited (the 'Holding Company') is a public limited company domiciled in India and incorporated on 10th December, 1984 under the provisions of the Companies Act, 1956 and having its registered office at 'Commercial House', 3-4 Jaora Compound, M.Y.H. Road, Indore, Madhya Pradesh – 452001, India. The company is BSE SME listed company and subsequently migrated to BSE Main Board w.e.f. 13th May 2019. The company is the manufacturer and exporters of FIBC, HDPE/PP Tarpaulin, HDPE/PP, Bags, Ground Cover, Pond Liners, Mulch Film, HDPE/PP Fabric, Laminates and Vermi Beds.. The Company is Del-credere Agent cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) and owns and operates solar power generation plant at Village Galihara, Dharakhedi, Tehsil Sitamau and Dist Mandsaur for generation of electricity and its captive consumption.

The Holding Company and its subsidiaries (jointly referred to as the 'Group' hereinafter) considered in these consolidated Financial statements are:

### a. Subsidiaries

Name of the company	Proportion (%) of equity interest	
	As at 31st March, 2021	As at 31st March, 2020
Comsyn India Private Limited	100%	0.00

## b. Share of Entities in Group

Name of the entity in the Group	Net Asset i.e. Total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Commercial Syn Bags Limited	100.13%	7880.09	100.86%	1208.58	100%	(42.30)	100.89%	1166.28
Subsidiaries Indian								
1. Comsyn 2. India Private Limited	0.10%	7.94	(0.60%)	(7.06)	0.00%	0.00	(0.61)%	(7.06)
Non-Controlling Interest in all subsidiaries	0.00%	0.00	0.00%	0.00	0.00%	0.00	0%	0.00
Intercompany eliminations	(0.23%)	(18.23)	(0.26%)	(3.23)	0.00%	0.00	(0.28)%	(3.23)
Total	100%	7869.80	100%	1198.29	100%	(42.30)	100%	1155.99

1.Comsyn India Private Limited is a wholly owned subsidiary and was incorporated on 26.08.2020

## 2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Board of Directors approved the consolidated financial statements for the year ended 31st March 2021 and authorised for issue on 16th June, 2021.

## 2.2 Basis of preparation and presentation

### a. Basis of Preparation

The Group maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value, recoverable amount or net realisable value in accordance with Indian Accounting Standards. The Financial Statements of the Group have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Subsidiaries are entities where the group exercise control or hold more than one-half of its total share capital. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidated financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses.

### b. Basis of Presentation

- i. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows" by use of Indirect method. The disclosure requirements with respect to items in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.
- ii. The Group's Financial Statements are presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated, as permitted by Schedule III to the Companies Act, 2013. Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes to these financial statements.

### iii. Current and Non-Current Classification

The Group presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- 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 current when: -

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

### 2.3 Key Accounting Estimates and Judgements

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Group uses the following critical accounting estimates in preparation of its financial statements:

Key sources of estimation of uncertainty at the reporting date of consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives and carrying amounts of property, plant and equipment, fair value measurements of financial instruments, revenue recognition, employee benefits, valuation of deferred tax assets and leases, these are discussed below.

Outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability.

#### (a) Property, Plant and Equipment

Judgement is required in applying the recognition criteria as to what constitutes an item of property, plant and equipment. The Group uses judgement to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of initial recognition. The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Group reviews its carrying value of Property, plant and equipment carried at cost (net of impairment, if any) annually, when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the consolidated statement of profit and loss. It involves, among other techniques, estimations in respect of expected future cash flows and discount rates to arrive at present value of expected cash flows.

The carrying amount of Property, plant and Equipment is given at note no. 3

#### (b) Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted price in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The carrying value of fair value of financial instruments is given at note no. 4, 7 to 11 and 18 to 20.

#### (c) Revenue Recognition

The Group derives its revenue primarily from sale of merchandise and commission from DCA cum CS business.

The Group's contract with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgment is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

The Group uses judgement to estimate the value of the goods or services to the customer transferred to date relative to the remaining goods or services promised under contract which is used to determine the degree of completion of the performance obligation.

The amount of revenue recognised is given in note no. 23.

**(d) Employee benefits**

The accounting of employee benefit plans in the nature of defined benefit requires the Group to use assumptions. These assumptions have been explained under employee benefits note.

The carrying value of employee benefit plans in the nature of defined benefits is given in note no. 28.

**(e) Deferred Tax Asset**

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

**(f) Leases**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The carrying value of lease obligations and Right of use assets is given at note numbers 16 And 21 respectively.

## 2.4 Recent accounting developments

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under

development.

- If a Group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

#### **Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

## **2.5 Summary of Significant Accounting Policies**

### **(a) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost after deducting trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, non-refundable purchase taxes, any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

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

The Group has opted cost model as its accounting policy for measurement after recognition.

Depreciation on Property, Plant and Equipment is provided using Straight Line Method taking life of the assets as given in the Schedule-II of Companies Act, 2013 on 95% of value of assets.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Property, plant and equipment are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss.

### **(b) Intangible Assets**

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

The Group has opted cost model as its accounting policy for measurement after recognition.

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

The Group's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss

#### **(c) Inventories**

Inventories consists of raw materials, Work in progress, finished goods and stores and spares. Inventories are valued at the lower of cost and net realisable value except wastage which is valued at net realisable value. The cost of inventories shall comprise all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present, location and condition. The costs of inventories are assigned using the first in, first out (FIFO) formula. When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised.

#### **(d) Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **(e) Financial Instruments**

##### **Financial Assets**

##### **Initial Recognition and Measurement**

The Group recognises a financial asset when it becomes party to the contractual provisions of the instrument. All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition

Where the fair value of the financial asset at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

##### **Investments in subsidiary is measured at cost.**

##### **Subsequent Measurement**

##### **Financial Assets measured at Amortised Cost**

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

##### **Financial Assets measured at Fair Value through Other Comprehensive Income**

A Financial Asset is measured a FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

##### **Financial Assets measured at Fair Value Through Profit or Loss**

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

##### **Investments in subsidiary is measured at cost.**

##### **Impairment of Financial Assets**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables, the Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### **Reclassification of Financial Assets**

Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

### **(f) Financial Liabilities**

#### **Initial Recognition and Measurement**

The Group recognises a financial liability when it becomes party to the contractual provisions of the instrument. All Financial Liabilities are recognised at fair value and in case of financial liabilities classified as 'subsequently measured at amortised cost' are shown net of directly attributable cost.

Where the fair value of the financial liability at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

#### **Subsequent Measurement**

Financial Liabilities which are classified as 'subsequently measured at amortised cost' are carried at amortised cost using the effective interest method.

### **(g) Hedge Accounting**

The Group uses derivative financial instruments such as forward contracts to mitigate the risk of changes in exchange rates. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

#### **Fair Value Hedge**

The Group designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in foreign exchange rates. The gain or loss on the hedging instrument is recognised in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

#### **Derecognition of Financial Instruments**

The Group derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

## **(h) Provisions and contingent liabilities**

### **Provisions**

Provisions are recognised 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. 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 Liabilities**

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

## **(g) Revenue Recognition**

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

### **Sale of Goods**

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

### **Commission income**

The Group is also Del-credere Agent cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) to deal in granules. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Principal has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

### **Job work and other services**

Revenue from rendering of other services is recognised over time by measuring the progress towards complete satisfaction of performance obligations by using output method at the reporting period.

### **Interest Income**

Interest Income from a Financial Assets is recognised using effective interest rate method.

### **Export Licences**

The revenue from transfer of export licences has been recognised when control over licences are transferred.

## **(h) Contract Balances**

### **Trade Receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional.

### **Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract

liabilities are recognised as revenue when the Group performs under the contract.

**(i) Government Grants**

Government grants, including non-monetary grants at fair value, are recognised when there is reasonable assurance that:

- (a) the entity will comply with the conditions attaching to them; and
- (b) the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

**Presentation of Government grants**

Grant related to specific fixed assets are presented in the balance sheet by showing the grant as deduction from the gross value of asset concerned in arriving at their book value.

Grants related to income are presented as part of profit or loss.

**(j) Employee Benefits Expense**

**Short-Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Leave encashment is accounted for on cash basis. Group compulsorily pays for encashment of leave within 12 months. Hence all payments are short term in nature.

**Post-Employment Benefits**

**Defined Contribution Plans**

The Group recognises contribution payable to the provident fund and ESIC scheme as an expense, when an employee renders the related service.

**Defined Benefit Plans**

The Group has opted Group Gratuity Scheme of Life Insurance Corporation of India. The Group makes contribution to the fund under that scheme. Provision for obligations is made for any shortfall in contribution to the fund as against the present value of defined benefit obligations towards gratuity at the reporting date.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

**(k) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

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

**(l) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets**

The Group assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

**(m) Income Taxes**

Income taxes

## NON CURRENT ASSETS

## 3. PROPERTY, PLANT AND EQUIPMENT

(Rupees In Lakhs)

PARTICULARS	Useful life ( In Years)	Cost			Accumulated Depreciation		Net carrying amount as at 31st March ,2021	Net carrying amount as at 31st March ,2020
		As at 1st April,2020	Addition	Disposal	As at 1st April,2020	Depreciation for the period	Disposal	As at 31st Mar, 2021
<b>PROPERTY, PLANT AND EQUIPMENT</b>								
Freehold Land	NA	81.28	-	-	-	-	-	81.28
Factory Building	30	2,702.10	784.78	-	164.21	103.09	-	3,219.58
Office Building	60	2.31	-	-	0.12	0.06	-	2.12
Building ( Other than Factory Building )	60	143.90	-	-	4.74	2.37	-	136.80
Site Development	30	1.74	-	-	0.14	0.07	-	1.53
Plant and Equipments	15	3,329.16	2,336.93	-	915.99	560.90	-	4,189.19
Plant and Equipments (Sold During the Year)		95.02	-	95.02	85.14	-	85.14	-
Furniture and Fixture	10	145.40	1.76	-	25.70	15.38	-	106.08
Computer Equipments	3	44.82	13.90	-	19.65	14.33	-	33.98
Vehicles	8	206.58	78.16	-	35.69	34.11	-	214.94
Vehicles (Sold during the year)		24.28	-	24.28	13.21	-	13.21	-
Office Equipments	5	54.93	8.69	-	14.52	11.25	-	37.85
Office Equipments (Sold during the year)		0.05	-	0.05	-	-	-	25.77
<b>TOTAL</b>		<b>6,831.56</b>	<b>3,224.23</b>	<b>119.35</b>	<b>1,279.11</b>	<b>741.57</b>	<b>98.35</b>	<b>1,922.33</b>
Previous Year Figure		6,287.44	561.13	17.01	600.51	678.60	-	1,279.11
<b>CAPITAL WORK IN PROGRESS</b>								
Factory Building		522.35	173.20	695.55	-	-	-	-
Capital expenditure on factory building		110.51	29.52	110.51	-	-	-	29.52
Plant & Machinery		750.83	467.25	1,218.08	-	-	-	-
<b>TOTAL</b>		<b>1,383.69</b>	<b>669.97</b>	<b>2,024.14</b>	<b>29.52</b>	<b>-</b>	<b>-</b>	<b>29.52</b>
Previous Year Figure		174.36	1,336.69	127.36	1,383.69	-	-	1,383.69
<b>RIGHT OF USE ASSETS</b>								
Leasehold Land	Years	273.31	467.80	-	741.11	23.96	-	694.73
<b>TOTAL</b>		<b>273.31</b>	<b>467.80</b>	<b>-</b>	<b>741.11</b>	<b>23.96</b>	<b>-</b>	<b>46.38</b>
Previous Year Figure		269.49	3.82	-	273.31	11.27	-	22.42
<b>OTHER INTANGIBLE ASSETS</b>								
Computer Software	3	1.00	-	-	1.00	0.24	-	0.55
<b>TOTAL</b>		<b>1.00</b>	<b>-</b>	<b>-</b>	<b>1.00</b>	<b>0.24</b>	<b>-</b>	<b>0.45</b>
Previous Year Figure		-	1.00	-	1.00	0.24	-	0.76

- a. Borrowing Cost Rs. 70.98 lakhs Capitalised during the year (previous year Rs. 32.10 lakhs) and added to Property, Plant and Equipment / Capital Work in Progress.
- b. The capitalisation rate is the weighted average of the borrowing costs applicable to all borrowings that are outstanding during the period.  
Borrowings costs have been capitalised during the year against qualifying assets under construction using a capitalisation rate of 7.50 % (2019-20 9.25 %)
- a. Borrowing Cost Rs. 70.98 lakhs Capitalised during the year (previous year Rs. 32.10 lakhs) and added to Property, Plant and Equipment / Capital Work in Progress.  
Right of Use assets consists of lease contracts entered into by the Company pertains for lands taken on lease to conduct its business in the ordinary course.

**Capital Commitments**

Commitments to the extent not provided for are Rs . 35.00 Lakhs (Previous Year 1071.80 lakhs)

(Refer note 2.5 (a) for accounting policy on Property Plant and Equipment and note no 2.3 (a) for other information)

## 4 Investments

(Rupees In Lakhs)

Non Current Investment	As at 31st March, 2021	As at 31st March, 2020
<b>a. Investments in Equity Instruments</b>		
(ii) of other entities (not being subsidiary / associate) (in unquoted instruments fully paid )	0.18	-
<b>TOTAL</b>	<b>0.18</b>	<b>-</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

**a. Information about investments in equity instruments-**

(Rupees In Lakhs)

(i) Other Entities	No. of Shares in (Lakhs)	Face Value Per Share in Rs.	As at 31st March, 2021	As at 31st March, 2020
Comsyn foundation	0.018	10.00	0.18	-
<b>TOTAL</b>	<b>0.018</b>	<b>10.00</b>	<b>0.18</b>	<b>-</b>

Comsyn foundation is a company licenced under section 8 of the Companies Act, 2013 and is limited by shares.

**b. Other Information -**

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Aggregate amount of quoted investment	-	-
Aggregate amount of unquoted investment	0.18	-
Aggregate market value of quoted investments	Not Applicable	Not Applicable
Aggergate amount of impairment in value of investment	-	-

## 5 Loans

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Loans Receivables considered good – Secured	553.11	318.41
<b>TOTAL</b>	<b>553.11</b>	<b>318.41</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

## 6. Other non current assets

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
I. Capital Advances	143.67	286.38
ii. Advances other than the capital advances		
a. Security Deposits		
Sales Tax Department	0.70	0.70
b. other advances		
Prepaid Lease Rent	12.60	9.02
Prepaid Expenses	1.49	2.57
<b>TOTAL</b>	<b>158.46</b>	<b>298.67</b>

## 7. CURRENT ASSETS

## Inventories

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Valued at lower of cost and net realisable value except wastage which is valued at net realisable value		
Raw Materials		
i) Material in Transit	202.82	61.14
ii) Material In Hand	1,344.04	308.65
Work-in-progress	1,256.52	860.17
Finished goods	2,685.69	1,539.38
Stock in trade	0.05	0.05
Stores and spares	198.30	253.87
<b>TOTAL</b>	<b>5,687.42</b>	<b>3,023.26</b>

(Refer note no 2.5 (c) for accounting policy on Inventories)

The carrying amount of inventory pledged as securities for borrowings is Rs. 5687.42 lakhs ( Rs. 3023.26 lakhs as at 31st March 2020).

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
<b>Details of Inventory</b>		
<b>Raw Materials</b>		
Plastic Granules	1,163.50	165.79
Master Batch	101.91	50.22
Fabric	214.90	66.67
Bopp Film	9.43	17.42
Thread / Crimpt yarn / Filler Cord/ Belt	52.74	61.10
Liner	4.38	8.60
<b>TOTAL</b>	<b>1,546.86</b>	<b>369.79</b>

<b>Work in Progress/Semi Finished Goods</b>		
Fabric (at Jobwork)	336.03	301.29
Fabrillated Thread	28.97	39.47
Re Process Granules	18.87	-
Goods in Process	657.15	298.55
U L F/LF/BSLF/BSLF-II/BELT	215.50	220.85
<b>TOTAL</b>	<b>1,256.52</b>	<b>860.17</b>
<b>Finished Goods</b>		
HDPE Bags (FIBC)	377.84	629.55
HDPE Bags	110.98	54.56
HDPE/PP Thread	22.64	-
FABRIC	81.18	
Stock In Transit	2,026.36	821.92
Tarpauline(In SQF)	49.03	26.81
HDPE Wastage	3.20	1.85
Liner	3.19	4.69
Vermi Beds and Meltblown Non Woven Fabric	11.26	-
<b>TOTAL</b>	<b>2,685.69</b>	<b>1,539.38</b>
<b>Stock in Trade</b>		
Fabric (HO)	0.01	0.01
Bags	0.01	0.01
Fabrics ( as such)	0.03	0.03
<b>TOTAL</b>	<b>0.05</b>	<b>0.05</b>
<b>Stores and Spares</b>		
Printing Ink	21.58	17.37
Thinner	1.88	1.88
M.I.B.K.	-	0.14
Ethyl Acetate	0.85	0.38
Toluene Duty Paid	0.72	-
Oil	4.48	1.70
Diesel	0.81	1.95
Box Strips	0.04	0.04
HDPE/PP Rope	1.12	-
Butanol	0.38	0.24
Plant Maintenance (Spare Parts)	166.45	230.16
<b>TOTAL</b>	<b>198.30</b>	<b>253.87</b>

**8 Trade receivables****(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Trade receivables		
secured considered good		
unsecured, considered good	2,202.82	1,862.44
Less : Loss Allowances	68.81	19.38
<b>TOTAL</b>	<b>2,134.01</b>	<b>1,843.06</b>

Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

**(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Debts due by Officers	2.41	7.45
<b>Total</b>	<b>2.41</b>	<b>7.45</b>

**9 Cash and cash equivalenta****(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
(a) Balance with banks	228.94	20.37
(b) Cash in hand	8.93	15.36
<b>Total</b>	<b>237.87</b>	<b>35.74</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

**10 Other Bank Balances****(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Balances with banks held as margin money or security against borrowings and guarantee	367.18	413.05
<b>Total</b>	<b>367.18</b>	<b>413.05</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

**11 Loans****(Rupees In Lakhs)**

	As at 31st March, 2021	As at 31st March, 2020
Others	7.68	9.79
<b>Total</b>	<b>7.68</b>	<b>9.79</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

## Information about Loans -

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Loans Receivables considered good - Unsecured	7.68	9.79
<b>Total</b>	<b>7.68</b>	<b>9.79</b>

## 12 Other Financial Assets

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Other Recoverable	2.39	1.03
Gain on Forward Contract	7.29	-
<b>Total</b>	<b>9.68</b>	<b>1.03</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

## 13 Other current assets

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Advances other than capital advances		
other advances (includes advance for RM)	794.47	82.86
Export Benefit Receivable	97.43	237.23
VAT Refund Claim	21.28	21.28
Service Tax Recoverable	0.43	0.43
Deposits for Appeal (VAT, CST, ET )	2.66	2.36
Prepaid Expenses	26.74	38.12
Advance Duty Deposit	0.83	1.33
GST Recoverable	783.75	422.53
<b>Total</b>	<b>1,727.59</b>	<b>806.14</b>

## EQUITY AND LIABILITIES

## 14 Equity share capital

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
<b>Authorised share capital</b>		
1,30,00,000 Equity Shares of Rs. 10/- each (Previous year 1,30,00,000 Equity Shares of R 10/-each)	1,300.00	1,300.00
(b) Issued and Subscribed :-	1,181.74	1,181.74
1,18,17,400 Equity Shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)		
(c) Fully Paid up Capital :-	1,181.74	1,181.74
1,18,17,400 Equity Shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)		
<b>Total paid up capital</b>	<b>1,181.74</b>	<b>1,181.74</b>

**a The Details of Shareholders holding more than 5% shares :-****(Equity Share In Lakhs)**

Shares held by Shareholder holding more than 5% share in the company	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares in (Lakhs)	% Held	No. of Shares in (Lakhs)	% Held
Pradeep Kumar Agrawal	7.36	6.23	8.47	7.16
Super Sack Private Limited	35.35	29.92	34.42	29.12

**b Reconciliation of number of share****(In Lakhs)**

Equity	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares in (Lakhs)	Rs.	No. of Shares in (Lakhs)	Rs.
Opening balance	118.17	1,181.74	118.17	1,181.74
closing balance	118.17	1,181.74	118.17	1,181.74

**c Terms/rights attached to equity shares :**

The company has only one class of equity shares having a par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**d Bonus Share**

The company has allotted 64,69,050 fully paid up Equity Shares of face value of Rs. 10/- each during the financial year 2015-2016 pursuant to the bonus issue approved by the shareholders at their Extraordinary General Meeting held on 15th March, 2016 in the ratio of 3 equity shares for every 1 Equity Share held on record date. The record date fixed by the Board of Directors for issue of Bonus Shares is 15th March, 2016. Except this the Company has not made any allotment of shares as Bonus Shares during the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

**e Capital Management**

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

**f Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

(Rupees In Lakhs except EPS)

<b>Earning Per Shares</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Calculation of Basic and Diluted EPS:		
Total Profit or Loss attributable to shareholders	1,198.29	1,142.26
Net Profit (loss) for calculation of basic EPS	1,198.29	1,142.26
Weighted average number of equity shares	118.17	118.17
Basic EPS	10.14	9.67
Calculation of Diluted EPS:		
Profit(loss) after tax	1,198.29	1,142.26
Weighted average number of equity shares	118.17	118.17
Diluted EPS	10.14	9.67

**15 Other equity**

(Rupees In Lakhs)

<b>Other equity consist of following:</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Capital reserve</b>		
Opening Balance	9.23	9.23
Closing Balance	9.23	9.23
<b>General Reserve</b>		
Opening Balance	10.88	10.88
Closing balance	10.88	10.88
<b>Security Premium Reserve</b>		
Opening Balance	406.53	406.53
Closing balance	406.53	406.53
<b>Retained Earnings</b>		
<u>Surplus(deficit) in the statement of Profit &amp; Loss</u>		
Balance as per last financial statement	5,297.93	4,269.64
Profit(loss) during the year	1,198.29	1,142.26
Less: Appropriations		
Final Dividend FY 2019-20	177.26	-
Dividend Paid for 2018-19	-	94.54
Dividend Distribution Tax	-	19.43
Net surplus in the statement of profit and loss	6,318.95	5,297.93
<b>TOTAL</b>	<b>6,745.59</b>	<b>5,724.57</b>
<b>Other Comprehensive Income (OCI)</b>		
Balance as per last financial statement	-15.23	-13.83
Add: Movement in OCI (Net) during the year	-42.30	-1.40
<b>TOTAL</b>	<b>-57.54</b>	<b>-15.23</b>
<b>Total other Equity</b>	<b>6,688.06</b>	<b>5,709.34</b>

**16 Borrowings****(Rupees In Lakhs)**

Other equity consist of following:	Non Current Portion	
	As at 31st March, 2021	As at 31st March, 2020
	Rs.	Rs.
<b>(a) Bonds and Debentures</b>	-	-
<b>(b) Term loans</b>		
From Banks		
secured	2,991.51	2,524.97
(c) Long term maturities of finance lease obligations (Unsecured)	538.03	96.64
(d) Other loans		
unsecured	141.04	141.27
<b>Net Amount</b>	<b>3,670.58</b>	<b>2,762.88</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

Terms of Repayment of term loans and other loans:

**Term Loan from Kotak Mahindra Bank Limited**

Term loan from Kotak Mahindra Bank Limited Rs 1743.41 Lakhs (Previous year balance Rs 1592.23 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (i.e. Company) (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties :-

Nature of Security -

- (a) Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- (b) Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- (c) Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- (d) Property situated at Block A & B of office premises at 3-4 Jaora Compound, MYH Road, Indore.
- (e) Plant & Machinery Situated at Plot no 5/1 sector-I Pithampur (Taken on sub lease)"
  - (i) In case of parent company the Term Loan is further secured by Personal Guarantee(s) of Shri Anil Choudhary, Managing Director and Smt Ranjana Choudhary, Whole Time Director of the Company and by Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).
  - (ii) In case of Subsidiary company the Term Loan is further secured by Personal Guarantee(s) of Shri Ravindra Choudhary, Director and Shri Pramal Choudhary, Director of the Company and by Corporate Guarantee of Commercial Syn Bags Limited.

Term Loan from Kotak Mahindra Bank Limited consists of Rupee Term Loan of Rs. 775.66 Lakhs (Previous balance Rs. 470.99) and Foreign Currency Term Loan (FCTL in Euro) of Rs. 1060.99 Lakhs (Previous balance Rs. 1272.42 Lakhs). There repayments are as –

- 1 FCTL - I of Rs. 277.83 Lakhs (Euro 3,22,686.03) (Previous balance Rs. 320.96 Lakhs (Euro 4,02,528.66) is repayable in 16

- Equated Quarterly Instalments of Euro 23,270 each starting from December, 2018 to September, 2022 and last instalment of Euro 1,99,283.72 in December, 2022.
- 2 FCTL – II of Rs. 268.75 Lakhs (Euro 3,12,144.83)(Previous balance is Rs. 227.42 Lakhs (Euro 3,89,544.20) is repayable in 16 Equated Quarterly Instalments of Euro 22,552 each starting from December, 2018 to September, 2022 and last instalment of Euro 1,92,512.76 in December, 2022
  - 3 FCTL – III of Rs. 189.01 Lakhs (Euro 2,19,527.32) (Previous balance is Rs.336.85 Lakhs (Euro 2,73,834.03) is repayable in 16 Equated Quarterly Instalments of Euro 15,828 each starting from June, 2019 to March, 2023 and last instalment of Euro 1,05,923.93 in June, 2023.
  - 4 FCTL – IV of Rs. 195.36 Lakhs (Euro 2,26,897.65 ) (Previous balance is Rs. 234.78 Lakhs (Euro 2,82,697.40) is repayable in 16 Equated Quarterly Instalment of Euro 16,275 each starting from September, 2019 to June, 2023 and last instalment of Euro 94,747.88 in September, 2023.
  - 5 FCTL – V of Rs. 130.04 Lakhs (Euro 151,039.94 ) (Previous balance is Rs. 152.41 Lakhs (Euro 1,83,511.16) is repayable in 16 Equated Quarterly Instalment of Euro 3,814 each starting from June, 2020 to March, 2024 and last instalment of Euro 22,678.25 in April, 2024.
  - 6 Rupee Term Loan I (No. - 5933TL0100000177) of Rs. 243.49 Lakhs (Previous balance Rs.298.90 Lakhs) is repayable in nineteen Equated Quarterly instalment of Rs. 19.57 Lakhs each starting from June, 2020 to September, 2024 and last instalment of Rs. 7.72 Lakhs in December, 2024.
  - 7 Rupee Term Loan II (No.-5933TL0100000216) of Rs. 116.28 Lakhs (Previous balance Rs. 139.11 Lakhs) is repayable in forty nine Equated Monthly Instalment of Rs. 3.36 Lakhs each starting from June, 2020 to June, 2024 and last instalment of Rs. .98 Lakhs in July, 2024.
  - 8 Rupee Term Loan III (No.-5933TL0100000225) of Rs. 27.77 Lakhs (Previous balance Rs. 32.98 Lakhs) is repayable in fifty one Equated Monthly Instalment of Rs. 0.78 Lakhs starting from June, 2020 to July, 2024 and last instalment of Rs. .62 Lakhs in August, 2024.
  - 9 Rupee Term Loan (Subsidiary) (No.-5933TL0100000291) of Rs. 388.12 Lakhs is repayable in seventy two Monthly Instalment including 9 month moratorium.

#### **Term Loan from HDFC Bank Limited**

Term Loan from HDFC Bank Limited Rs. 869.67 Lakhs (Previous balance Nil) is primarily secured by hypothecation of Plant and Machinery, Stock, Book Debts, FD, Stock for Export, Export Debtors of Unit – II pari passu charge with Bank of Baroda and collaterally secured by Equitable Mortgage of property at Plot No. S-3/2 Sector – I, Pithampur, Dhar (M.P.) consisting of leasehold land and building thereon.

Term Loan from HDFC Bank Limited consists of Rupee Term Loan of Rs.1547.11 Lakhs ( Including loan of Rs. 310.37 Lakhs converted from Bank of Baroda) {Previous balance Rs. 1326.88 Lakhs (including loan of Rs. 457.21 Lakhs from bank of baroda)}. Term loan of Bank of Baroda is taken over by HDFC Bank limited and security is transferred as it is.

Term loan from HDFC Bank Limited is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters and building thereon situated at plot No. S-3/1, 3/2 Sector 1 Industrial Area, Pithampur, Dist. Dhar. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land

admeasuring about 929 sq mtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.). The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sq ft (724.91 sq m) and Building thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the above mentioned all factories, present and future. The loan also secured by exclusive 1st charge by way of hypothecation of entire machineries, electrical installations and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future.

#### There repayment is as –

- 1 Rupee Term Loan I (No.-85084582) of Rs. 6.81 Lakhs (Previous balance is Rs. 47.11 Lakhs from Bank of Baroda) is repayable in four Equated Monthly Instalment of Rs. 3.43 Lakhs starting from Feb, 2021 to May, 2021.
- 2 Rupee Term Loan II (No.-85084586) of Rs. 14.52 Lakhs (Previous balance is Rs. 105.36 Lakhs from Bank of Baroda ) is repayable in four Equated Monthly Instalment of Rs. 7.33 Lakhs starting from Feb, 2021 to May, 2021.
- 3 Rupee Term Loan III (No.-85084592) of Rs. 253.27 Lakhs (Previous balance is Rs. 304.74 Lakhs from Bank of Baroda) is repayable in Sixty Equated Monthly Instalment of Rs. 5.22 Lakhs starting from Feb, 2021 to January, 2026.
- 4 Rupee Term Loan IV (No.-85084604) of Rs. 35.77 Lakhs (Previous balance is nil taken over from Bank of Baroda) is repayable in Eighteen Equated Monthly Instalment of Rs. 2.36 Lakhs starting from Feb, 2021 to July, 2022.
- 5 Rupee Term Loan V (No.-83511438) of Rs. 868.83 Lakhs (Previous balance is Rs.869.67 Lakhs) is repayable in Seventy Six Equated Monthly Instalment of Rs. 16.41 Lakhs starting from June, 2020 to September, 2026 and last installment of Rs. 10.62 Lakhs in October, 2026.
- 6 Rupee Term Loan VI (No.-85256245) of Rs. 367.98 Lakhs (Previous balance is nil) is repayable in Eighty four Equated Monthly Instalment of Rs. 6.45 Lakhs starting from April, 2021 to March, 2028.

#### Term Loan from State Bank of India

Loan under Guanteed Emergency Credit Line (GECL) by way of Working Capital Term Loan (WCTL) from State Bank of India Rs. 200 Lakhs (Accrued Interest is Rs.1.26 Lakhs) (Previous balance is Nil) is secured by extension of charge over the existing primary and collateral securities and receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

"Loan (GECL) from State Bank of India consists of Rs.200 Lakhs (Previous balance is Nil). Its repayment is as –

Loan (GECL) of Rs. 200 Lakhs (Previous balance Nil) is repayable in Thirty Six Equated Monthly Instalment starting from Oct -2021 till June -2024.

#### Other Term Loans

Term Loan (Car Loan) from Axis Bank Limited Rs. 33.65 Lakhs (Previous balance Rs 49.06 Lakhs) is secured by hypothecation of Mercedes Benz Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Car Loan) from Axis Bank Limited Rs. 40.22 Lakhs (Previous balance Nil) is secured by hypothecation of Mercedes Benz Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing

Director of the Company.

Term Loan (Car Loan) from HDFC Bank Limited Rs. 19.28 Lakhs (Previous balance Nil) is secured by hypothecation of Toyota Innova Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Commercial Vehicle Loan) from Yes Bank Limited Rs. 6.30 Lakhs (Previous balance Rs. 11.27 Lakhs) is secured by hypothecation of one Eicher Vehicle.

- 1 Term Loan (Commercial Vehicle Loan) from Yes Bank Limited of Rs. 1.32 Lakhs (Previous balance Rs. 6.30 Lakhs) is repayable in thirty six equated monthly instalment of Rs. 0.45 Lakhs each commencing from July, 2018 to June, 2021 Secured by hypothecation of Eicher Truck.
- 2 Term Loan (Car Loan) -I) (No. - 6442) from Axis Bank Limited of Rs. 16.74 Lakhs (Previous balance Rs. 33.65 Lakhs) is repayable in thirty six equated monthly instalment of Rs. 1.61 Lakhs each commencing from March, 2019 to January, 2022 and last installment of Rs. 1.41 Lakhs in February, 2022 secured by hypothecation of Mercedes Banz car.
- 3 Term Loan (Car Loan) - II (No. - 6401) from Axis Bank Limited of Rs. 23.90 Lakhs (Previous balance Rs. 40.22 Lakhs) is repayable in thirty five equated monthly instalment of Rs. 1.61 Lakhs each commencing from August, 2019 to June, 2022 and last installment of Rs. 1.27 Lakhs in July, 2022 secured by hypothecation of Mercedes Banz car.
- 4 Term Loan (Car Loan) from HDFC Bank Limited of Rs. 12.32 Lakhs (Previous balance Rs. 19.28 Lakhs) is repayable in thirty six equated monthly instalment of Rs. 0.70 Lakhs each commencing from November, 2019 to October, 2022 secured by hypothecation of Vehicle Innova .
- 5 Term Loan (Car Loan) from ICICI Bank Limited of Rs. 13.94 Lakhs (Previous balance Nil) is repayable in thirty six equated monthly instalment of Rs. 0.50 Lakhs each commencing from November, 2020 to October, 2023. Secured by hypothecation of Eicher Truck.
- 6 Term Loan (Car Loan) from Bank of Baroda of Rs. 46.28 Lakhs (Previous balance Nil) is repayable in eighty four equated monthly instalment of Rs. 0.76 Lakhs each commencing from July, 2020 to June, 2027 and the term loan is secured by hypothecation of vehicle VOLVO S-90.

#### Lease obligations

- a. Incremental Borrowing Rate applied to lease liabilities is 7.50 %
- b. The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

## Maturity Profile of Lease Liability

(Rupees In Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Below 3 Months	23.39	7.51
3-6 Months	12.00	-
6-12 Months	24.80	-
1-3 Years	128.48	15.02
3-5 Years	144.57	22.52
Above 5 Years	527.11	110.86

## 17 Provisions

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
<b>Employee benefits</b>		
Net defined benefit obligations for gratuity	219.53	77.43
<b>Others</b>		
Unspent CSR Amount (FY 2020-21)	22.19	-
<b>Total</b>	<b>241.72</b>	<b>77.43</b>

## 18 Deferred tax liabilities

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Deferred tax liability		
Timing difference on account of Depreciation	-299.96	-360.25
Deferred tax asset		
Timing difference on account of Expenses allowable on payment basis	-38.36	-2.19
<b>Net Deferred Tax</b>	<b>-338.32</b>	<b>-362.43</b>

(Refer note no 2.5 (m) for accounting policy)

## CURRENT LIABILITIES

## 19 Borrowings

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
<b>Short term borrowings</b>		
<b>(a) Loans repayable on demand</b>		
(I) From banks		
Secured		
COMSYN ( Kotak Mahindra Bank CC A/c )	15.40	0

Cash Credit Loan (Unit II)	487.85	357.38
Cash Credit Loans (Unit - I)	2,052.39	434.48
Cash Credit SBI Ltd (Trading Segment)	625.71	715.41
Cash Credit Loans (Unit - SEZ)	957.90	246.01
(b) Loans from related parties		
Secured		
Unsecured	84.03	34.86
(c) Deposits		
Secured		
Unsecured	8.47	6.63
The above amount includes:		
Secured borrowings	4,147.72	1,759.91
Unsecured borrowings	84.03	34.86
<b>Total</b>	<b>4,231.75</b>	<b>1,794.77</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

Term of repayment of Loan -

#### Kotak Mahindra Bank Limited

Working Capital Loan from Kotak Mahindra Bank Limited of Rs. 3010.29 Lakhs (Previous balance Rs. 680.48 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties :-

- Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- Property situated at Block A & B of office premises at 3-4 Jaora Compound, MYH Road, Indore.

#### Bank of Baroda

Working Capital Loan from Bank of Baroda of Rs. Nil (Previous balance Rs. 349.89 Lakhs) is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 meters and building thereon situated at plot No. S-3/1, Sector 1 Industrial Area, Pithampur, Dist. Dhar. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sq mtrs & building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.). The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 7800 sq ft (724.91 sq m) and Building thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the above mentioned all factories, present and future. The loan also secured by exclusive 1st charge by way of hypothecation of entire machineries, electrical installations and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future.

The Working loan is also guaranteed by Shri Anil Choudhary Managing Director, Smt. Ranjana Choudhary, Whole Time Director of the company, Pradeep Kumar Agrawal and Ashok Kumar Agrawal shareholders of the Company and Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

#### HDFC Bank Limited

Working Capital Loan from HDFC Bank Limited of Rs. 476.53 Lakhs (Previous balance Rs. 7.49 Lakhs) is primarily secured by hypothecation of Plant and Machinery, Stock, Book Debts, FD of Unit – II and collaterally secured by Equitable Mortgage of property at Plot No. S-2/1, 3/1, 3/2 Sector – I, Pithampur, Dhar (M.P.) consisting of leasehold land and building thereon.

#### State Bank of India

Working Capital Loan from State Bank of India of Rs. 625.71 Lakhs (Previous balance Rs. 715.41 Lakhs) is secured by first charge by way of hypothecation of company's stock/ receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

In case of all unsecured loans, there is no fixed repayment schedule. There is no continuing default in repayment of any loan or interest thereon.

**20 Trade Payables****(Rupees In Lakhs)**

	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
(A) total outstanding dues of micro and small enterprises;and	156.98	27.47
(B) total outstanding dues of creditors other than micro and small enterprises	938.87	558.03
<b>Total</b>	<b>1,095.84</b>	<b>585.50</b>
Disclosures under Micro, Small and Medium Enterprises Development Act, 2006		
a. Interest Payable on outstanding to Micro and Small enterprises ( Included in A above)	0.32	0.07
b. Interest Paid to micro and small enterprises during the accounting year	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day)	-	-
d. Interest accrued and remaining unpaid at the end of each accounting year	-	-
e. The amount of further interest, remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of the disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium enterprises Development Act, 2006.	-	-

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

**21 Other financial liabilities****(Rupees In Lakhs)**

	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Current Maturities of Long Term Debts	706.38	644.76
Current Maturities of Finance Lease Obligation	7.51	7.51
Interest accrued but not due on borrowings	4.46	1.82
Outstanding liability for payables	76.52	29.78
UPSKILL Development DDUGKY	233.13	0.38
Creditors for Capital Goods	17.91	117.03
Loss on forward contracts including forward contracts on firm commitments	3.86	83.88
<b>Total</b>	<b>1,049.76</b>	<b>885.15</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 40 for other information)

Information about government grant under Deen Dayal Upadhyaya Grameen Kaushalaya Yojna

- a. Nature of Grant :** The company has entered into MOU for execution of projects under Deen Dayal Upadhyaya Grameen Kaushalaya Yojna (DDU-GKY) Guidelines July 2016, (as may be amended from time to time the skill training and placement programme of the ministry of rural development (MoRD). Grants-in Aid is provided to the company for the execution of aforesaid purpose

## b. Extent of government grants recognized in the financial statements -

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Expenses incurred	260.19	0.54
Grant recognised to meet the expenses	-260.19	-0.54

## 22 Other current liabilities

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Revenue received in advance	596.32	276.82
T.D.S./T.C.S. Payable	13.66	12.74
<b>Total</b>	<b>609.99</b>	<b>289.56</b>

## 23 Provisions

(Rupees In Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits	553.77	350.16
<b>Total</b>	<b>553.77</b>	<b>350.16</b>

(Refer note no 2.5 (j) for accounting policy on employee benefits and 2.3 (d) for other information)

## 24 Revenue from operations

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Revenue from contracts with customers		
<b>(a) Sale of product</b>		
Finished goods	20,149.69	17,557.54
Traded good	1,039.90	862.60
<b>(b) Sale of services</b>		
Commission Received	160.76	160.47
Jobwork Charges	9.10	8.02
<b>(c) Other Operating Revenues</b>	12.56	508.61
<b>Total</b>	<b>21,372.01</b>	<b>19,097.23</b>

(Refer note no 2.5 (g) for accounting policy on revenue and note no 2.3 (c) for other information)

The invoicing schedules agreed with customers include periodic performance based payments and milestone based progress payments. Invoices are payable within contractually agreed credit period.

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(i) List of Manufacturing Sales (Domestic) (Net of GST)</b>		
Sale of HDPE/PP Tarpauline	950.90	1,002.92
Sale of HDPE/PP Bags	1,091.77	853.71
Sale of ULF/LF/BSLF/BSLF-II/BELT	211.72	386.88
Sale of HDPE/PP Bags (FIBC)	1,553.50	1,061.15
Sale of HDPE/PP Wastage / Scrap	59.38	40.14
Sale of Vermi Beds	100.31	64.99
Sale of Liner/Film	40.02	89.35
Sale of RP Granules	47.32	37.70
Sale of Flexible Pouch	25.25	18.21
Sale of Other Consumables	11.78	21.78
Sale of HDPE Flexible Pipe	6.16	-
Sale of PP Multifilament Yarn	53.07	-
	4,151.19	3,576.83
Add : Freight on Local Sales/ Other Expenses	12.93	8.11
<b>TOTAL</b>	<b>4,164.12</b>	<b>3,584.95</b>

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(ii) Manufacturing Sales (Export) (Net of GST)</b>		
Fabric	82.91	196.92
F I B C Bags	13,971.22	12,210.15
Bags (Normal)	1,136.35	989.39
Tarpauline	117.56	49.74
Belt	0.03	0.07
Liner/Film	2.25	0.50
Other Consumables	10.61	0.81
	15,320.94	13,447.59
Add: Freight on Export Sales	481.49	242.50
Foreign Exchange Rate Differences	180.17	286.68
Other Charges on Sales	5.52	4.11
<b>TOTAL</b>	<b>15,988.11</b>	<b>13,980.87</b>

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(iii) Trading Sales</b>		
PP Granules	806.69	821.94
HD Granules	87.65	25.18
LD Granules	140.70	12.22
Master Batch	4.86	3.26
<b>TOTAL</b>	<b>1,039.90</b>	<b>862.60</b>

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
<b>(iv) Sales Return Manufacturing</b>		
Tarpauline	2.55	8.28
<b>TOTAL</b>	<b>2.55</b>	<b>8.28</b>
<b>TOTAL SALES</b>	<b>21,189.59</b>	<b>18,420.14</b>

**25 Other Income**

(Rupees In Lakhs)

<b>Interest income</b>	For the year ended on 31st March,2021	For the year ended on 31st March,2020
Interest income	133.73	155.68
Other non operating income (net of expenses directly attributable to such income)	0.12	30.79
<b>TOTAL</b>	<b>133.85</b>	<b>186.47</b>

(Rupees In Lakhs)

<b>a. interest income comprises of</b>	For the year ended on 31st March,2021	For the year ended on 31st March,2020
(i) Interest income on financial assets that are measured at Amortised cost	11.73	35.65
(ii) Other interest	122.00	120.03
<b>TOTAL</b>	<b>133.73</b>	<b>155.68</b>

**26 Cost of material Consumed**

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
Raw Material Consumed		
Opening Stock	369.79	581.50
Add: Purchases	12,714.50	10,206.48
	13,084.29	10,787.98
Less: Closing Stock	1,546.86	369.79
<b>TOTAL RAW MATERIAL CONSUMED</b>	<b>11,537.43</b>	<b>10,418.18</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Purchases Of Raw Material</b>		
BOPP Film/Tape	112.15	92.24
Crimpt yarn	162.33	156.62
Fabric (All)	601.11	359.18
Fabrilated Thread	104.24	317.48
Filler Cord	51.84	30.99
HDPE Granules (All)	453.93	197.69
HDPE/PP Belt/Tie	0.10	0.54
LD Granules (All)	1,319.15	1,007.36
Liner	1.43	20.29
Master Batch (All)	1,069.20	874.60
PP Coated Bags	0.16	15.78
PP Granules (All)	8,504.90	6,930.73
Purchase of Tarpauline	33.52	0.11
RP Granules	6.96	2.78
Wastage	0.51	1.31
<b>TOTAL</b>	<b>12,421.56</b>	<b>10,007.70</b>
Add : Custom Duty/Freight on purchase	291.33	218.36
Add : Foreign Exchange Rate Difference	1.61	-19.58
<b>TOTAL</b>	<b>12,714.50</b>	<b>10,206.48</b>

**27 Purchase of Stock in Trade(Traded goods)**

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Trading Purchase	102.63	100.02
Master Batch	3.55	2.54
PP/HD/LD/LLD Granuels	828.35	730.56
<b>TOTAL</b>	<b>934.53</b>	<b>833.13</b>

**28 Changes in Inventory of Finished Goods, Work in Progress and Stock In Trade :-**

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Inventories (at close)</b>		
Work in Process	1,256.52	860.17
Finished Goods	2,682.48	1,537.53
Goods in Trade	0.05	0.05
Wastage	3.20	1.85
<b>Inventories( at commencement)</b>		
Work in Process	860.17	598.55
Finished Goods	1,537.53	581.20
Goods in Trade	0.05	0.05
Wastage	1.85	1.62
<b>Net increase/decrease</b>	<b>1,542.66</b>	<b>1,218.18</b>

## 29 Employee Benefit Expenses

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Salaries And Wages</b>		
Salaries And Wages	2,369.20	2,137.38
Salaries And Wages (Office)	149.14	51.51
Salaries And Wages (Director)	65.88	49.28
Security Services	-	6.14
Bonus	178.50	166.70
House Rent Allowance	182.09	201.23
Education Allowance	41.80	53.47
Medical Allowance	44.29	47.96
Gratuity	90.84	15.20
Leave Encashment	17.74	6.81
Conveyance Allowance	46.07	56.48
Goodwork	49.74	12.21
Washing Allowance	107.48	87.88
Other Allowances	10.40	3.18
Attendance Bonus	122.34	62.51
Recruitment Expenses	-	0.31
Stipend to Trainee	0.17	0.99
House Rent (Rent of employees quarter)	-	0.04
<b>Contribution To Provident And Other Funds</b>		
Provident Fund	178.83	147.66
E.S.I.C.	77.73	73.25
<b>Staff Welfare Expenses</b>		
Staff Welfare Expenses	23.44	31.62
<b>TOTAL</b>	<b>3,755.66</b>	<b>3,211.82</b>
<b>Out of above</b>		
Manufacturing related	2,991.93	2,702.41
Others	763.73	509.41
<b>TOTAL</b>	<b>3,755.66</b>	<b>3,211.82</b>

(Refer note no 2.5 (j) for accounting policy on employee benefits and 2.3 (d) for other information)

**a. Defined Contribution Plans :**

All eligible employees of the Company in India are entitled to receive benefits under the provident fund plan. The Company makes provident fund contribution, a defined contribution plan, for qualifying employees. It also contributes to employee state insurance corporation, which is also defined contribution plan. The Company recognized Rs.178.83 lakhs (Previous Year : 146.37 lakhs) and Rs. 77.24 lakhs ( Previous Year : Rs. 73.25 lakhs) respectively for PF and ESIC contribution in statement of profit and loss. Provident fund and ESIC are managed through government administered funds.

**b. Defined benefit obligations and plans**

Details of defined benefit obligations and plan assets:

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Gratuity</b>		
<b>Change in defined benefit obligations:</b>		
Present Value of Benefit Obligation at beginning of the year	108.77	101.60
Current service cost	87.22	2.01
Interest cost	7.40	5.74
Accrual (gain)/loss	50.21	4.15
Benefits paid	-12.50	-4.73
<b>Present Value of Benefit Obligation at the end of the year</b>	<b>241.09</b>	<b>108.77</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning of the year	31.34	32.03
Expected Return on Plan Assets	1.77	2.45
Employers' contribution	2.00	1.59
Actuarial (losses) / gains	(1.05)	-
Benefits paid	(12.50)	-4.73
<b>Fair value of plan assets at the end of the year</b>	<b>21.56</b>	<b>31.34</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Amounts recognised in the balance sheet consist of:</b>		
Present value of obligations at the end of the year	(241.09)	(108.77)
Fair value of plan assets at the end of year	21.56	31.34
<b>Net Liability / (Asset) recognised in Balance Sheet</b>	<b>(219.53)</b>	<b>(77.43)</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Expense/(gain) recognised in the statement of profit and loss consists of:</b>		
<b>Employee benefits expense:</b>		
Current service cost	87.22	2.01
Interest cost	7.40	5.74
Other comprehensive income:		
Expected Return on Plan Assets	(1.77)	2.45
Net actuarial losses (gains) recognised in the year	51.26	4.15
<b>Expense/(gain) recognised in the statement of profit and loss</b>	<b>144.10</b>	<b>9.45</b>

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>Key assumptions used in the measurement of gratuity is as below:</b>		
Discount rate	6.80%	7.25%
Rate of escalation in salary	6.00%	7.00%

### Description of Plans and risks

Defined benefit plans of the Company comprises Gratuity.

The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment.

The Company has opted the Employee Group Gratuity Scheme of the insurance service provider Life Insurance Corporation of India ("LIC"). Payments for Gratuity are funded through investments with Life Insurance Corporation of India.

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns in order to limit the cost to the Company of the benefits provided.

The company makes annual contribution to the Employee's Group Gratuity Cum Life Assurance Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The figures of present value of the defined benefit obligation and the related current service cost were as measured and provided to us by a consulting actuary.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2020-21.

The Information of sensitivity analysis in respect of key assumption on define benefit obligation is not available as the cost to develop it would be excessive.

### c. Compensated Absences

As regards compensated absences, the Company has policy for encashment of leaves (which is compulsorily paid within one year from the end of the financial year) standing to the credit of the employees on cash basis.

## 30 Finance cost

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
Interest to Bank	238.09	223.49
Interest on Term Loan	96.75	112.14
Interest on Leased Liabilities (IND AS)	13.96	8.77
Interest on Buyer's Credit	8.24	12.72
Interest on unsecured loan	11.93	12.52
Interest to Others	0.30	19.38
Bank Charges	23.49	39.88
<b>TOTAL</b>	<b>392.76</b>	<b>428.90</b>
<b>Finance cost comprises of</b>		
a. Interest expenses on financial liabilities that are measured at amortised cost	355.01	360.86
b. Interest on Lease liabilities	13.96	8.77
c. other finance costs	23.78	59.27
<b>TOTAL</b>	<b>392.76</b>	<b>428.90</b>

## 31 Other expense

(Rupees In Lakhs)

	For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
<b>(a) Manufacturing expenses</b>		
Weaving Charges	106.61	29.31
Lamination Charges	5.95	0.21
Power & Fuel	955.10	728.54
Bags Making Charges	679.21	767.96
Tarpaulin Making Charges	8.39	1.75
Repairs & Maintenance Plant & Machinery	456.77	257.06
<b>(b) Selling and distribution expense</b>		
Advertisement & Publicity	2.88	1.87
Freight Expenses	1,008.64	743.06
Packing & Forwarding Expenses	128.72	118.61
Sales Promotion & Entertainment	12.40	23.76
Commission	36.84	43.68
Loss Allowances	48.22	13.77
Travelling by Directors	-	26.76
Travelling by Others	5.37	22.26
<b>(c) Administration &amp; Other Expenses</b>		
Conveyance Expenses	87.95	57.88
Cleaning services	35.65	29.03
Director's Sitting Fees	0.82	0.58
Advance License Fees	5.62	4.90
Factory Licence Expenses	2.36	1.30
GST Paid / Service tax / Excise Expenses	5.73	5.73
Insurance Expenses	74.08	73.94
Internet Expenses	4.09	3.30
Legal & Professional Charges	89.73	77.55
Loss/ ( Profit) on sale of vehicle	3.83	-8.30
Loss/ ( Profit) on sale of Plant and Machinery	-	-4.74
Membership Fees & Subscription	1.25	4.56
Miscellaneous Expenses	75.74	70.83
Prepaid Expense on EMD	1.57	1.27
Postage & Courier	14.83	22.15
Repairs of Computer	8.97	6.30
Repairs (Others )	11.67	11.33
Rebate, Shortage & Rate Diff.	33.33	9.87
Rent, Rates & Taxes	34.82	29.43
Stationary & Printing	17.41	14.62
Telephone & Communication Expenses	5.30	8.45
Vehicle Running & Maintenance	10.42	10.96
Foreign Exchange Difference Loss/(Gain)	-32.02	168.34
Water & Light Charges	93.46	73.43
Export Benefit Received ( Loss )	140.81	2.49
Other Donation	1.31	0.30
<b>(d) Auditors remuneration</b>	2.00	1.75
<b>(e) Corporate social responsibility</b>	25.62	19.99
<b>Total</b>	<b>4,211.47</b>	<b>3,475.82</b>

The above schedule on 'other Expenses' includes the following nature of expenses -

**a. Short Term Lease Payment recognised as an expense on straight line basis over the lease term : (Rupees In Lakhs)**

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
Sanwer Road Godown	3.60	4.07
Dhamnod Shed	13.32	9.73
Pithampur Hostel	8.69	8.59
Short term leases	25.61	22.38

**b. Amount of Foreign Exchange difference recognised in the P&L account, except those arising on financial instruments, are :**

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
Exchange difference	-32.02	65.09

**32. Other comprehensive income**

(Rupees In Lakhs)

	For the year ended on 31st March,2021	For the year ended on 31st March,2020
(a) Items will not be reclassified to profit and loss a/c		
(i) Remeasurements of the defined benefit plans	-51.26	-1.70
<b>TOTAL</b>	<b>-51.26</b>	<b>-1.70</b>

**33 Contingent liabilities and commitments (to the extent not provided for)**
**(Rupees In Lakhs)**

	31/03/2021	31/03/2020
(I) Contingent liabilities		
(a) claims against the company not acknowledged as debt	12.64	11.23
(b) guarantees excluding financial guarantees	1,053.00	-
(c) other money for which the company is contingently liable	-	-
(ii) Commitments		
(a) estimated amount of contracts remaining to be executed on capital account and not provided for (Refer note no. 3 for capital commitments)	35.00	1,071.80
(b) uncalled liability on shares and other investments partly paid;	-	-
(c) other commitments	-	-

**In respect of Sales Tax**

Demands amounting to Rs. 12.64 lakhs ( Previous Year 11.23 Lakhs) have been raised by the Indirect Tax Authorities which is contested by the company based on management evaluation and legal advice of tax consultants. Based on legal advice that these amounts would get deleted or substantially reduced, the Company has not recognised these as liabilities.

**34. Counter Gurantees Issued**

The banks have issued various guarantees to third parties on behalf of the Company. The Company issues a "counter guarantee" in favour of such banks in order to indemnify those banks. These amounts are not considered as contingent liabilities of the Company.

Particulars	31/03/2021	31/03/2020
Counter Guarantee issued by Company	277.08	658.77

**35 Income Taxes**
**a. The income tax expense consists of the following**
**(Rupees In Lakhs)**

	31/03/2021	31/03/2020
<b>Current Tax</b>		
Current tax expense for current year	276.65	255.85
Current tax expense/ (benefit) pertaining to prior years	-	-8.22
<b>Total current tax expenses</b>	<b>276.65</b>	<b>247.63</b>
<b>Deferred Tax</b>		
Deferred tax expense for current year	-24.11	53.73
Deferred tax benefit pertaining to prior years		
<b>Total income tax expense recognised in current year</b>	<b>252.54</b>	<b>301.36</b>

(Refer note no 2.5 (m) for accounting policy on Income Taxes)

**b. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:**

(Rupees In Lakhs)

	Ast at 31/03/2021	Ast at 31/03/2020
<b>Profit before tax</b>	1,450.82	1,442.21
Indian statutory income tax rate	17.47%	17.47%
Expected income tax expense	253.46	251.95
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense</b>		
Tax pertaining to prior years	-	-8.22
Tax on income at different rates	0.06	-
Tax Impact on Intra Group transaction	0.57	
Others (net)	22.56	3.90
<b>Total income tax expense</b>	<b>276.65</b>	<b>247.63</b>

The Group has estimated that the Indian statutory income tax rate applicable to the Parent Company would be 17.47% under sec 115JB for year ended 31st March 2021 and the Indian statutory income tax rate applicable to the Subsidiary Company would be 17.16% under sec 115BAB for the year ended on 31.03.2021.

**c. Reconciliation between the average effective tax rate and the applicable tax rate**

(Rupees In Lakhs)

	Ast at 31/03/2021	Ast at 31/03/2020
	Tax Rate %	Tax Rate %
Tax Rate %Statutory Income tax rate	17.47	17.47
Difference due to tax of previous year	0.85	-0.57
other reasons	-	0.27
Average effective tax rate	18.32	17.17

The Group has estimated that the Indian statutory income tax rate applicable to the Parent Company would be 17.47% under sec 115JB for year ended 31st March 2021 and the Indian statutory income tax rate applicable to the Subsidiary Company would be 17.16% under sec 115BAB for the year ended on 31.03.2021.

**36 Segment information**

The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM'):

- Manufacturing segment** - Business of manufacture and sale of FIBC, Zumbo bags, Poly Tarpaulin, Woven Sacks / Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging which mainly have same risks and returns.
- Trading segment** - Trading of Granule (Del credere agent cum Consignment Stockiest)

Power generated from solar power is captively consumed. The solar power generation segment is integral part of manufacturing segment'.

The above business segments have been identified considering :

- the nature of products and services
- the differing risks and returns
- the internal organisation and management structure, and
- the internal financial reporting systems.

The Company's Chief operating Decision maker is Managing Director and Chief Executive Officer.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES  
FOR THE YEAR ENDED ON 31ST MARCH, 2021**

(Rupees In Lakhs)

Particulars	Manufacturing Segment	Trading of Granules Segment	Consolidated Total
	Current Year ended on 31.03.2021	Current Year ended on 31.03.2021	Current Year ended on 31.03.2021
<b>Revenue</b>			
Revenue from External Customers	21,108.29	263.72	21,372.01
Inter Segment Revenue	-	-	-
Other Operating Revenue	-	-	-
Interest revenue	19.76	114.08	133.85
<b>Segment Revenues</b>	<b>21,128.06</b>	<b>377.80</b>	<b>21,505.85</b>
<b>Total Segment Revenue</b>	<b>21,128.06</b>	<b>377.80</b>	<b>21,505.85</b>
<b>Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)</b>			
<b>Results</b>	2,392.22	217.20	2,609.43
Less: Finance Cost	-287.23	-105.53	-392.76
Less: Depreciation	-765.69	-0.15	-765.85
Profit Before Tax	1,339.31	111.52	1,450.82
Less : Current Tax	-	-	-276.65
Less : Deferred Tax	-	-	24.11
<b>Profit After Tax</b>	<b>1,086.77</b>	<b>111.52</b>	<b>1,198.29</b>
<b>Segment Assets</b>			
(a) Property, Plant & Equipments	8,708.34	0.50	8,708.84
(a) Capital Work In Progress	29.52	-	29.52
(a) Other Assets	9,577.83	1,305.82	10,883.65
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	48.59
- Deffered Tax Assets	-	-	-
<b>Total</b>	<b>18,315.69</b>	<b>1,306.32</b>	<b>19,670.60</b>
<b>Segment Liabilities</b>			
(a) Borrowings	7,108.70	793.63	7,902.33
(b) Other Liabilities	3,729.94	159.45	3,889.40
(c) Unallocated	-	-	-
-Current Tax Liabilites	-	-	9.06
-Deferred Tax Liabilites	-	-	-
<b>Total</b>	<b>10,838.64</b>	<b>953.08</b>	<b>11,800.79</b>
Equity Share Capital	-	-	1,181.74
Other Equity	-	-	6,688.06
<b>Total Equity &amp; Liability</b>	<b>-</b>	<b>-</b>	<b>19,670.60</b>

**CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES  
FOR THE YEAR ENDED ON 31ST MARCH, 2020**

(Rupees In Lakhs)

Particulars	Manufacturing Segment	Trading Segment	Consolidated Total
	Current Year ended on 31.03.2020	Current Year ended on 31.03.2020	Current Year ended on 31.03.2020
<b>Revenue</b>			
Revenue from External Customers	18,325.60	263.03	18,588.62
Inter Segment Revenue			-
Other Operating Revenue	508.61	-	508.61
Interest revenue	21.34	134.34	155.68
<b>Segment Revenues</b>	<b>18,834.20</b>	<b>263.03</b>	<b>19,097.23</b>
Less: Inter Segment Revenue	-		-
Other Income	30.75	0.04	30.79
<b>Total Segment Revenue</b>	<b>18,886.29</b>	<b>397.41</b>	<b>19,283.70</b>
<b>Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)</b>			
Results	2,308.68	252.54	2,561.22
Less: Finance Cost	-360.35	-68.55	-428.90
Less: Depreciation	-689.79	-0.33	-690.11
Profit Before Tax	<b>1,258.55</b>	<b>183.66</b>	<b>1,442.21</b>
Less : Current Tax	-	-	-247.63
Less : Deferred Tax	-	-	-53.73
<b>Profit After Tax</b>	<b>-</b>	<b>-</b>	<b>1,140.85</b>
<b>Segment Assets</b>			
(a) Property, Plant & Equipments	5,803.01	0.33	5,803.34
(a) Capital Work In Progress	1,383.69	-	1,383.69
(a) Other Assets	5,650.07	1,099.83	6,749.90
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	62.03
- Deffered Tax Assets	-	-	-
<b>Total</b>	<b>12,836.78</b>	<b>1,100.15</b>	<b>13,998.96</b>
<b>Segment Liabilities</b>			
(a) Borrowings	3,835.61	715.41	4,551.03
(b) Other Liabilities	2,093.15	101.27	2,194.42
(c) Unallocated	-	-	-
-Current Tax Liabilites	-	-	-
-Deferred Tax Liabilites	-	-	362.43
<b>Total</b>	<b>5,928.76</b>	<b>816.68</b>	<b>7,107.88</b>
Equity Share Capital	-	-	1,181.74
Other Equity	-	-	5,709.34
<b>Total Equity &amp; Liability</b>	<b>-</b>	<b>-</b>	<b>13,998.96</b>

Details of revenue based on geographical location of customers is as below:

(Rupees In Lakhs)

	31.03.2021	31.03.2020
India	5,608.29	5,116.36
Outside India	15,897.56	13,980.87

**Information about major customers**

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2021 and March 31, 2020.

**37 Related Party Disclosures :-**
**(i) List of related parties where control exists and related parties with whom transaction have taken place and relationship :-**
**Name of the Related Parties**

Relation	Name
Key Management Personnel	Shri Anil Choudhary Smt Ranjana Choudhary Shri Virendra Singh Pamecha Shri Hitesh Mehta Shri Chintan Singhvi (resigned w.e.f. 27th November, 2020) Shri Vijay Kumar Bansal (appointed w.e.f. 14th February, 2021) Shri Milind Mahajan Shri Ravindra Choudhary Shri Abhishek Jain Smt Anamika Gupta (resigned w.e.f. 15th July, 2020) Shri Sandeep Patel (appointed w.e.f. 16th July, 2021)
Relatives of Key Management Personnel with whom there was transaction during the year	Shri Pramal Choudhary Smt Shruti Choudhary Smt Parul Choudhary Smt Vidhya Choudhary
Enterprises over which Key Management personnel or their relatives are able to exercise significant influence	M/s Choudhary Highway Services M/s Mohra Seeds M/s Page Paper Mart M/s Gangotri Enterprises M/s Pooranmal Laxminarayan
Investing Party in respect of which the reporting enterprise is an associate	M/s Super Sack Pvt Ltd

## (ii) Transactions with related parties are as follows :-

(Rupees in Lakhs)

Name of Party	Amount 31-03-2021	Outstanding balances (Including Commitments) as on 31-03-2021	Amount 31-03-2020	Outstanding balances (Including Commitments) as on 31-03-2020
<b>Key Managerial Person - Remuneration</b>				
Shri Anil Choudhary	40.38	3.75	36.00	3.25
Smt Ranjana Choudhary	13.00	1.25	12.00	1.00
Shri Virendra Singh Pamecha	12.50	1.10	11.67	1.00
Shri Hitesh Mehta	0.52	0.52	0.32	0.12
Shri Chintan Pushpraj Singhvi	-	-	0.04	0.02
Shri Milind Mahajan	0.30	0.30	0.22	0.08
Shri Ravindra Choudhary	25.87	2.25	25.50	2.25
Shri Abhishek Jain	9.63	0.85	10.35	0.85
Smt Anamika Gupta	0.92	-	3.32	0.32
Shri Sandeep Patel	2.08	0.30	-	-
<b>Mr. Ravindra Choudhary (Rent)</b>	<b>3.60</b>	<b>-</b>	<b>4.80</b>	<b>2.93</b>
<b>Key Managerial Person - Unsecured loan taken by Company</b>				
Shri Anil Choudhary	50.00	75.92	-	25.92
Smt Ranjana Choudhary	-	8.11	-	8.94
Relatives of Key Managerial Person - Remuneration			-	-
Shri Pramal Choudhary	34.63	3.25	30.00	2.75
Smt Parul Choudhary	7.25	0.75	6.00	0.50
Smt Shruti Choudhary	5.75	0.50	6.00	0.50
<b>Enterprises over which KMP personnels or their relatives</b>				
Smt Vidhya Choudhary (Suprabhu) - Rent	13.32	1.20	8.90	0.74
Choudhary Highway Services - (Purchase)	37.11	4.41	29.14	1.11
Page Paper Mart (Prop Mr. Pramod Jain) - (Purchase)	-	-	1.13	-
Pooranmal Laxminarayan - (Purchase)	114.35	36.05	68.78	8.40
Mohra Seeds (Sales)	7.45	-	13.61	3.59
Pooranmal Laxminarayan (Sales)	9.68	-1.07	8.17	1.46
M/s Gangotri Enterprises - (Sales)	-	2.41	-	2.41
<b>Investing party in respect of which the Reporting Enterprise is an Associate</b>				
Super Sack Pvt. Ltd. - (Interest)	-	-	-	-

**Remuneration paid to Key Managerial Person**

The above figures do not include provisions for gratuity as separate actuarial valuation are not available and the cost to develop it would be excessive.

The contributions to defined contribution plans for key management personnel in respect of Provident fund is Rs. 0.79 lakhs (Previous Year : Rs. 1.30 lakhs)

### 38. Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is Rs. 25.62 Lakhs (Previous Year Rs. 21.06 Lakhs).

The company is having unspent amount of Rs. 54.18 Lakhs upto Previous Year 2019-20.

(b) Expenditure related to Corporate Social Responsibility is Rs. 3.43 Lakhs (Previous Year Rs. 19.99 Lakhs)

Details of Amount spent towards CSR given below:

(Rupees In Lakhs)

	31/03/2021	31/03/2020
Promotion of Education	0.26	0.81
Animal Welfare	-	5.74
Healthcare	0.25	-
Fund set up by Central Government	0.05	0.16
Reduction of inequalities by socially and economically backward groups and upliftment of deprived underprivileged	2.87	12.97
Gender Equality, Empowerment of Women	-	0.31
<b>Total Amount</b>	<b>3.43</b>	<b>19.99</b>

### 39. Research & Development

The company conducts its R&D initiatives with the broad framework of innovation initiatives.

The company purchased technologically upgrade Circular , Loom, Stitching, Machine, Ultrasonic, Cutting and Sealing Machine, for its units.

### 40. Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

(Rupees in Lakhs)

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
<b>Financial Assets</b>							
Trade Receivables	8					2,134.01	2,134.01
Cash and cash equivalents	9					287.87	237.87
Bank Balances	10					367.18	367.18
Loan	11					7.68	7.68
Investments	4	0.18				-	0.18
Other Financial Assets (Current)	12					9.68	9.68
Other Financial Assets ( Non Current )	5	27.57				525.55	553.11
<b>Total</b>		<b>27.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,281.75</b>	<b>3,309.72</b>
<b>Financial Liabilities</b>							
Borrowings (Current)	19					4,231.75	4,231.75
Borrowings ( Non Current )	16					3,670.58	3,670.58
Trade Payables	20					1,095.84	1,095.84
Other Financial Liabilities	21			3.86		1,045.90	1,049.76
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3.86</b>	<b>-</b>	<b>10,044.07</b>	<b>10,047.93</b>

## Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2020 is as follows:

(Rupees In Lakhs)

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
<b>Financial Assets</b>							
Trade Receivables	8					1,843.06	1,843.06
Cash and cash equivalents	9					35.74	35.74
Bank Balances	10					413.06	413.06
Loans	11					9.79	9.79
Other Financial Assets	12			-		1.03	1.03
Other Financial Assets ( Non Current )	5	28.03				290.38	318.41
<b>Total</b>		<b>28.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,593.04</b>	<b>2,621.07</b>
<b>Financial Liabilities</b>							
Borrowings	19					1,788.14	1,788.14
Borrowings ( Non Current )	16					2,762.88	2,762.88
Trade Payables	20					585.49	585.49
Other Financial Liabilities	21			83.88		807.90	891.78
<b>Total</b>		<b>-</b>	<b>-</b>	<b>83.88</b>	<b>-</b>	<b>5,944.42</b>	<b>6,028.30</b>

Carrying amounts of trade receivables, cash and cash equivalents, bank balances, and trade payables as at March 31, 2021 and 2020, approximate the fair value.

Difference between carrying amount and fair value of Loans, Other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant. Fair value measurement of lease liabilities is not required.

(Rupees In Lakhs)

A. Particulars	Note No.	31-03-2021	31-03-2020
Carrying amount of Financial assets pledged as collateral for liabilities	8&10	2501.19	1839.06
Carrying amount of Financial assets pledged as collateral for contingent liabilities	15	367.18	413.06
		<b>2866.72</b>	<b>2252.11</b>

Terms and conditions relating to pledge :-

**Trade Receivables & Other Financial Assets:** All existing/ future Trade Receivables & Other Financial Assets have been hypothecated to secure working capital loan.

Fixed Deposit have been pledged to secure the Bank Guarantee issued in our favour.

(Rupees In Lakhs)

a. Particulars	Note No.	31-03-2021	31-03-2020
net gains or net losses on financial assets measured as FVTPL upon initial recognition	30	1.79	1.37
financial assets measured at amortised cost	30	25.72	12.86
financial liabilities measured as FVTPL upon initial recognition		-	-
financial liabilities measured at amortised cost		-	-

(Rupees In Lakhs)

b.	31/03/2021	31/03/2020
An analysis of gain / loss recognised in statement of profit and loss, arising from the derecognition of financial assets measured at amortised cost. These Financial Assets are considered by Management as irrecoverable and have been derecognised.	25.72	12.86

## B Financial Risk Management

The Company is exposed primarily to market risks being fluctuations in foreign currency exchange rates and interest rate, and other risks namely credit and liquidity risks, which may adversely impact the fair value of its financial instruments. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company has a risk management policy which covers risks associated with financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate the potential adverse effects on the financial performance of the Company.

### Management of Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

#### Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

The Company as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the functional currency of the Company.

#### Foreign Currency Risk

The following table shows foreign currency exposures in US Dollar, Euro and Great Britain Pound on financial instruments at the end of the reporting period.

(Rupees In Lakhs)

Foreign Currency Exposure							
Particulars	As at 31 March 2021			As at 31 March 2020			Note No.
	USD	EUR	GBP	USD	EUR	GBP	
Borrowings		1060.99			1279.32		16
Trade and other receivables	763.68	33.31	31.48	483.27	77.67	15.20	8

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges:

(Rupees In Lakhs)

Particulars	As at 31 March 2021			As at 31 March 2020		
	USD	EUR	GBP	USD	EUR	GBP
<b>1% Depreciation in INR</b>						
Impact on Equity / P&L	7.64	10.94	0.31	4.83	13.50	0.15
<b>Total</b>						
<b>1% Appreciation in INR</b>						
Impact on Equity / P&L	7.64	10.94	0.31	4.83	13.50	0.15
<b>Total</b>						

### Interest rate risk

The Company is also exposed to interest rate risk, changes in interest rates will affect future cash flows or the fair values of its financial instruments, principally debt. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rupees In Lakhs)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
Borrowings			
Non-Current – Floating (includes Current Maturities)	16 & 21	4384.46	3407.64
Current	19	4231.75	1788.14
<b>Total</b>		<b>8616.21</b>	<b>5195.79</b>

### Sensitivity analysis of .75% change in Interest rate:

(Rupees In Lakhs)

Interest Rate Sensitivity				
Particulars	As at 31 March 2021		As at 31 March 2020	
	UP MOVE	DOWN MOVE	UP MOVE	DOWN MOVE
Impact on Equity / P&L	63.88	63.88	23.58	23.58
Total Impact	63.88	63.88	23.58	23.58

### Management Of Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amount according to the contractual terms or obligations causing financial loss to the Company

Credit risk encompasses of risk of default, risk of deterioration of creditworthiness as well as concentration of risks.

credit risk is controlled by analysing credit limits and creditworthiness of customers of a continuous basis to whom the credit has been granted

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk is Rs 3296.97 lakhs ( Rs 2593.04 lakhs in preceding year) being the total of carrying amount of trade receivables, balance with banks, bank deposits and other financial assets.

### Trade receivables

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

#### Other financial assets

The Company maintains exposure in bank balances and term deposits with banks. Considering insignificant amounts and short term nature, there is no significant risks pertaining to these assets.

#### Management of Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date.

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed and uncommitted borrowing/ facilities

The Company has maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(Rupees In Lakhs)

Maturity analysis for financial liabilities for the year ended 31/03/2021	Note No.	carrying value	contractual cash flows	less than one year	between one to five years	more than five years
(a) a maturity analysis for non-derivative financial liabilities						
Borrowings ( Current Liabilities)	19	4231.75		4231.75		
Trade Payables	20	1095.84		1095.84		
Borrowings ( Non- Current Liabilities)	16	3132.55		-	3,040.11	92.44
Other Financial Liabilities	21	1049.76		1049.76		
Lease Obligations	16	538.03		60.19	273.05	527.11

Maturity analysis for financial liabilities for the year ended 31/03/2020					(Rupees In Lakhs)	
(a) a maturity analysis for non-derivative financial liabilities						
Borrowings ( Current Liabilities)	19	1788.14		1788.14		
Trade Payables	20	585.49		585.49		
Borrowings ( Non- Current Liabilities)	16	2666.24		568.80	1818.52	415.51
Other Financial Liabilities	21	589.67		589.67		
Lease obligations	16	96.64		7.51	30.02	110.86

Fair value measurement hierarchy

Fair value measurement hierarchy as at 31st March 2021

The following table summarises financial assets and liabilities measured at fair value

(Rupees In Lakhs)

Particulars	Note No.	Carrying	Level of inputs used			Total
		Amount	Level 1	Level 2	Level 3	
<b>Financial Assets</b>						
At Amortised Cost						
Trade Receivables	8	2134.01				2134.01
Cash and Cash Equivalents	9	237.87				237.87
Bank Balances	10	367.18				367.18
Loans	11	7.68				7.68
Other financial assets	12	2.39				2.39
Others Financial Assets ( Non Current Portion )	5	525.73				525.73
<b>At FVTPL</b>						
Earnest Money Deposit	5				25.10	25.10
Lease Security Deposit	5				2.29	2.29
Investments	4				0.18	0.18
<b>At FVTOCI</b>						
<b>Total</b>		<b>3274.85</b>	<b>0.00</b>	<b>0.00</b>	<b>27.57</b>	<b>3302.42</b>
<b>Financial Liabilities</b>						
At Amortised Cost						
Borrowings ( Non- Current Liabilities)	16	3670.58				3670.58
Borrowings	19	4231.75				4231.75
Trade Payables	20	1095.84				1095.84
Other Financial Liabilities	21	1045.90				1045.90
<b>At FVTPL</b>						
Forward Contract	21	3.86				3.86
<b>Total</b>		<b>10047.93</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10047.93</b>

Fair value measurement hierarchy as at 31st March 2020

The following table summarises financial assets and liabilities measured at fair value

(Rupees In Lakhs)

Particulars	Note No.	Carrying	Level of inputs used			Total
		Amount	Level 1	Level 2	Level 3	
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Trade Receivables	8	1843.06				1843.06
Cash and Cash Equivalents	9	35.74				35.74
Bank Balances	10	413.06				413.06
Loans	11	9.79				9.79
Other financial assets	12	1.03				1.03
Others Financial Assets ( Non Current Portion )	5	290.38				290.38
<b>At FVTPL</b>						
Earnest Money Deposit	5				24.21	24.21
Lease Security Deposit	5				3.82	3.82
<b>At FVTOCI</b>						
<b>Total</b>		<b>2593.04</b>	<b>0.00</b>	<b>0.00</b>	<b>28.03</b>	<b>2621.07</b>
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings ( Non- Current Liabilities)	16	2762.88				2762.88
Borrowings	19	1788.14				1788.14
Trade Payables	20	585.49				585.49
Other Financial Liabilities	21	807.90				807.90
<b>At FVTPL</b>						
Forward Contract	21	83.88				83.88
<b>Total</b>		<b>6028.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6028.30</b>

Reconciliation of fair value measurement of the investment categorised at level 3:

(Rupees In Lakhs)

Particulars	31st March, 2021 At FVTPL	31st March, 2020 At FVTPL
Opening Balance	28.03	24.82
Addition during the year	17.44	5.39
Sale/Reduction during the year	19.69	3.55
Total Gain/(loss)	1.79	1.37
Closing Balance	27.57	28.03

**Derivative financial instruments and hedging activity**

The company's revenue is denominated in various foreign currencies. Given the nature the business, a large portion of costs are denominated in Indian Rupees. This exposes the company to currency fluctuations.

The Board of Directors have constituted a Risk Management Committee to frame, implement and monitor the risk management plan of the company which inter alia covers risks arising out of exposure of foreign currency fluctuations.

The company uses various derivative instruments such as foreign exchange forward in which the counter party is generally the bank.

The following are outstanding foreign currency forward contracts, which have been designated as fair value hedges -

**Hedging Instruments**

A. Fair Value hedge

Hedging Instruments

Particulars	Note No.	No. of Contracts	Nominal Amount of Contracts	Carrying Amount Assets (Rs. In Lakhs)	Amount Liabilities (Rs. in Lakhs)	Hedge Maturity
<b>As at 31st March 2021</b>						
<b>Foreign currency risk</b>						
<b>Foreign currency - Forwards</b>						
US Dollar	12	40	1,850,000	-	4.45	Sep-21
Euro	12	24	943665	11.18	-	Sep-21
Great Britain Pound	12	17	370,000	0.56	-	Aug-21
<b>As at 31st March 2020</b>						
<b>Foreign currency risk</b>						
<b>Foreign currency - Forwards</b>						
US Dollar	21	32	1605000	0.00	49.28	Sep-20
Euro	21	20	1035461	0.00	33.88	Jul-20
Great Britain Pound	21	9	259450	0.00	0.72	Sep-20

Line Item in balance sheet - Shown under Other Financial Liabilities ( Current Liabilities) in FY 2020-21

Line Item in balance sheet - Shown under Other Financial Assets ( Current Assets) in FY 2019-20

**Hedging Item**

A. Fair Value hedge

Hedging Item

Particulars	Note No.	Amount in Foreign Currency	Hedge Maturity
<b>As at 31st March 2021</b>			
Items			
Trade Receivables and firm commitment	8		
US Dollar		1850000	Sep-21
Euro		943665	Sep-21
Great Britain Pound		370000	Aug-21
<b>As at 31st March 2020</b>			
Items	8		
Trade Receivables and firm commitment			
US Dollar		1605000	Sep-20
Euro		1035461	Jul-20
Great Britain Pound		259450	Sep-20

Line Item in balance sheet -

In respect of some financial assets the Company does not recognise a gain or loss on initial recognition of a financialpara 107.28 and 29 EMD tenders, security deposits with MPAKVN asset or financial liability because the fair value is neither evidenced by a quoted price in an active market for an identical asset or liability (i.e.a Level 1 input) nor based on a valuation technique that uses only data from observable markets.

The Company has so concluded because these financial assets are interest free deposits made by Company.

(Rupees In Lakhs)

	31st March, 2021	31st March, 2020
aggregate difference yet to be recognised in profit or loss		
at the beginning	11.59	11.91
reconciliation of changes	-0.46	0.32
at the end of the period	12.05	11.59

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2021

(Rupees In Lakhs)

	Note No.	Balance The beginning of the year	Change during the year	Bed debtss written off	Balance at the end of the year
The loss allowance measured at an amount equal to lifetime expected credit losses for trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15	8 & 30	19.38	74.39	25.47	68.81
<b>Total</b>		<b>19.38</b>	<b>74.39</b>	<b>25.47</b>	<b>68.81</b>

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2020

(Rupees In Lakhs)

	Note No.	Balance The beginning of the year	Change during the year	Bed debtss written off	Balance at the end of the year
The loss allowance measured at an amount equal to lifetime expected credit losses for trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15	8 & 30	5.61	26.63	12.86	19.38
<b>Total</b>		<b>5.61</b>	<b>26.63</b>	<b>12.86</b>	<b>19.38</b>

The accompanying notes are an integral part of the financial statements.  
 For and on behalf of the Board of Directors

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

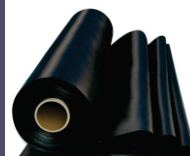
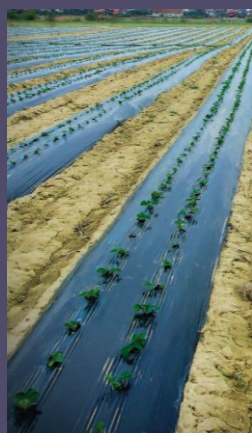
Place: Indore  
 16.06.2021

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**(CA Avinash Agrawal )**  
 Partner  
 M.No. 410875

# COMSYN

COMMERCIAL SYN BAGS LIMITED



## Mission

"To be a customer focused, globally competitive company in polypropylene woven products and in other chosen areas of plastic industry, through quality, technology and innovation"

# "Weaving Excellence"



IS 15351:2015



(GEO MEMBRANE)  
CML-8200007799

IS 7903:2017



(HDPE TARPAULIN)  
CML-3289570

IS 15907:2010



(VERMI BED)  
CML-8200101286

IS 16190 : 2014



(HDPE PIPE)  
CML-8200116909

IS 14887 : 2014



(PP WOVEN SACK 50 KG)  
CML-8200123599

**COMSYN**  
COMMERCIAL SYN BAGS LIMITED

*"Weaving strength thread by thread for better world"*

### Commercial Syn Bags Limited

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