Date: 10<sup>th</sup> September 2019

To
Listing Department,
MCX Stock Exchange Limited,
Vibgyor Towers, 4<sup>th</sup> Floor,
Plot No. C 62, G- Block, Opp. Trident Hotel,
Bandra Kurla Complex, Bandra (E),
Mumbai-400 098

# Sub: ANNUAL REPORT 2018-2019.

Dear Sir,

Please find enclosed the Annual Report – 2019 of the Company pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the above document on your record.

Thanking You

Yours faithfully,

For **QUALITY SYNTHETIC INDUSTRIES LTD.** 

Sd/-( Ritu Poddar) Company Secretary

CC: To,

THE SECRETARY,
The Calcutta Stock Exchange Association Limited,
7, Lyons Range,
Kolkata – 700 001.

Head Office: 602, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019, Ph.:+91-11-26414057, 26234244 Fax:+91-11-26234244.

# **44**<sup>TH</sup>

# ANNUAL REPORT 2018-2019

# QUALITY SYNTHETIC INDUSTRIES LIMITED

(CIN: L65929WB1975PLC029956)
Manufacturers of LPG Cylinders

QUALITY SYNTHETIC INDUSTRIES LIMITED REPORT OF DIRECTORS TO THE SHAREHOLDERS OF THE COMPANY

BOARD OF DIRECTORS	SHRI A.K.SUREKA	DIN: 00060206	MANAGING DIRECTOR
	SHRI ANAND GUPTA	DIN: 00024458	DIRECTOR
	SHRI MADHAV SUREKA	DIN: 06889850	DIRECTOR
	SMT. SUJATA KUMAR	DIN: 01310030	DIRECTOR
	SH.RANNVEER SINGH RISHI	DIN: 08253892	Director
COMPANY SECRETARY	SMT. RITU PODDAR		
	ACS-35086		
STATUTORY AUDITOR	SENSONS		
	CHARTERED ACCOUNTANTS		
	KOTHI No667, SECTOR- 28, FA	ARIDABAD-	
	121002		
SECRETARIAL AUDITOR	JYOTI ARYA & ASSOCIATES		
	K-009, DDA LIG FLATS, POCKI	ET-C,	
	MOLARBAND, NEW DELHI-110	0076	
PRINCIPAL BANKERS	ICICI BANK LIMITED		
	HDFC BANK LIMITED		
REGISTERED OFFICE	ROOM NO. 107, ANAND JYOTI	BUILDING,	
	1 <sup>st</sup> FLOOR, 41, NETAJI SUBHAS	· · · · · · · · · · · · · · · · · · ·	
	KOLKATA, WEST BENGAL -70	*	
ADMINISTRATIVE	602, CHIRANJIV TOWER, 43, N	EHRU	
OFFICE	PLACE, NEW DELHI-110019		

REGISTRAR & TRANSFER M/S. BEETAL FINANCIAL & COMPUTER AGENTS SERVICES (P) LTD.,

BEETAL HOUSE,99, MADANGIR, BEHIND LOCAL, SHOPPING CENTRE, NEAR DADA HARSUKH DASS MANDIR, NEW DELHI –

110062

SHARES LISTED AT METROPOLITAN STOCK EXCHANGE

**OF INDIA LTD.(MCX-SX))** 

CALCUTTA STOCK EXCHANGE LTD

#### **NOTICE**

Notice is hereby given that the 44<sup>th</sup> Annual General Meeting of the Members of Quality Synthetic Industries Limited will be held on Monday, 30<sup>th</sup> September 2019 at 04:30 P.M. at BRIDDHI 82A, Shambunath Pandit Street, 2<sup>nd</sup> Floor, Kolkata, West Bengal-700020 to transact the following businesses:-

#### **ORDINARY BUSINESSES:**

- 1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2019 together with the Reports of the Board of Directors and Auditors thereon.
- 2. To appoint a Director in place of Shri Akhil Kumar Sureka (DIN: 00060206), who retires by rotation and, being eligible, offers himself for re- appointment.

#### SPECIAL BUSINESSES:

- **3.** To appoint Shri Rannveer Singh Rishi (DIN: 08253892) as an Independent Director(Non-Executive) and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:** 
  - "Resolved that pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 20 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, Shri Rannveer Singh Rishi (DIN:08253892), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Associations of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of 5(five) years wef February 25, 2019 ending upto February 24, 2024."
- **4.** To approve entering into Transactions with Related Parties u/s 188 of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013, if any, consent of the Company be and is hereby accorded to the Board of Directors for entering into related party transactions by the Company with effect from 1<sup>st</sup> April, 2019 upto a maximum amount per annum as specified herein below:

	Transact	ions defined u/s	188(1) of 1		in Crore
	Transactions defined u/s 188(1) of the Companies Act,2013				
Name of the related parties and name of	Sale,	Selling or	Leasing	Availing or	Others
the Directors or Key Managerial	purchase	otherwise	of	rendering of	
Personnel who is related, if any	or supply	disposing of	property	any services;	
alongwith nature of their relationship:	of any	or buying	of any	Appointment	
	goods	property of	kind	of any agent	
Sh. A.K. Sureka, Managing Director,	material	any kind		for purchase	
Sh. and Sh. Anand Gupta, Director				or sale of	
being the Promoter Directors and/or				goods;	
their relatives are interested as				materials,	
Directors, Shareholders or Partners in				services or	
the following Companies, Trust,				property	

#### CIN - L65929WB1975PLC029956

Society/Firms/ LLP.				,corporate	
				Guarantee etc.	
COMPANIES					
Mauria Udyog Ltd.	20	20	05	20	05
Bihariji Ispat Udyog Ltd.	10	10	10	10	10
Sri Narayan Rajkumar Merchants Ltd.	01	01	01	01	01
Eurospa Terry Towels Pvt. Ltd	0.50	0.50	0.50	0.50	0.50
Jotindra Steel & Tubes Ltd.	02	02	02	02	02
Modgen Fashions Pvt. Ltd.	01	01	01	01	01
Puranmal Foods India Pvt. Ltd.	05	05	05	05	05
S.K.D. Estates Pvt. Ltd.	02	02	02	02	02
Taanz Fashions (India) Pvt. Ltd.	01	01	01	01	01
Vee Em Infocentre Pvt. Limited	0.50	0.50	0.50	0.50	0.50
JST Engineering Services Ltd.	0.25	0.25	0.25	0.25	0.25
Deepak Hotels Pvt. Limited	0.25	0.25	0.25	0.25	0.25
Subhlaxmi Properties Pvt. Ltd.	0.25	0.25	0.25	0.25	0.25
VBM Estates Pvt. Ltd.	02	02	02	02	02
Bihariji Infotech Pvt. Ltd.	01	01	01	01	01
TRUST SOCIETY/FIRMS/					
LLP/JOINT	01	01	01	01	01
VENTUR/SUBSIDIARIES					
Directors/Kmps/Relatives of					
directors/ other firms and companies					
in which directors have interest as per	5	5	2	2	5
section 2(76) of the Companies Act,					
2013					

**Note:** Terms and conditions of transactions to be entered into with the above named parties are subject to and to be agreed upon and approved from time to time by the Audit Committee/Board of Directors.

Further "Resolved that for the purpose of giving effect to this Resolution, the Board of Directors and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things and matters as the Board of Directors and/or Committee thereof may in its absolute discretion consider necessary, proper, expedient or appropriate."

By Order of the Board of Directors QUALITY SYNTHETIC INDUSTRIES LIMITED

Sd/-.

(RITU PODDAR)
COMPANY SECRETARY
ROOM NO. 107, 1<sup>ST</sup>FLOOR,
ANAND JYOTI BUILDING,
41, NETAJI SUBHAS ROAD,
KOLKATA-700001
(WEST BENGAL)

CIN: L51909WB1980PLC033010 Date: September 04, 2019.

#### **Notes:**

- 1. A MEMBER **ENTITLED** TO ATTEND **AND** VOTE AT THE ANNUAL GENERAL MEETING(HEREINAFTER REFERRED AS "THE MEETING"/"AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A blank form of proxy is enclosed herewith and if intended to be used, it should be deposited duly filled-up at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. Only registered members of the Company holding shares as on the Cut-off date decided for the purpose, being Monday, 23<sup>rd</sup> September, 2019 or any proxy appointed by such registered member may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act, 2013.
- 2. The Register of members and share transfer books of the Company will remain closed from Friday, 27<sup>th</sup>September, 2019 to Monday, the 30<sup>th</sup> September, 2019 (both days inclusive).
- 3. Explanatory Statement as required under Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 4. SEBI mandates transfers of securities only in dematerialized mode vide Notification No.: SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
- 6. SEBI mandates updation of Shareholders' PAN and Bank details vide SEBI Circular No.: SEBI/HO/MIRSD/DOP1/CIR/P/2018/24 dated June 08, 2018. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent of the Company.
- 7. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent of the Company.
- 8. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of directors seeking appointment/re-appointment at the AGM, forms part of the Notice.
- 9. All the documents referred to in the notice will be available for inspection at the Company's registered office during normal business hours on all working days upto the date of AGM. The Register of Directors and Key managerial Personnel and their shareholding, maintained under section 170 of the Companies Act 2013(Act), and the Register of Contracts or Arrangements in which directors are interested, maintained under section 189 of the Act, will be available for inspection by the members at the AGM.
- 10. Members whose shareholding is in electronic mode are requested to direct change of address, contact details and bank account details, in case of change, to their respective depository participant(s). Members holding shares in physical form are requested to update their addresses and contact details with the Registrar and Share Transfer Agent of the Company, if there is any change.
- 11. In terms of section 101 of the Companies Act 2013, read together with the rules made thereunder, the Company forwarded soft copies of all the documents to be sent to the shareholders including the General Meeting notices along with Audited Accounts and requisite reports thereon to all those members who have registered their e-mail ids with their respective DPs or with the Share Transfer Agent of the Company. Please note that these documents are also available on the Company's Website at www.qualitysyntheticfibre.com. All the members are requested to ensure to keep their e-mail addresses updated with the Depository Participants or by writing to the Company at qualitysynthetic@gmail.com quoting their folio number(s) or their DP/ CLIENT IDs.

12. Voting Rights: Shareholders holding equity shares shall have one vote per share as shown against their holding and shareholders.

#### 5. Voting through electronic means:

- a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Rules made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a member of the Company holding shares either in physical form or in dematerialized form may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.
- b. The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).
- c. The Company shall also provide facility for voting through Ballot/polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- d. The members who have exercised their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- e. The Board of Directors have appointed Mr. L.K. Bohania, FCA, M.No.-53314, Chartered Accountants in practice as the Scrutinizer, for conducting the voting / poll and remote e-voting process in a fair and transparent manner.
- f. The cut-off date for the purpose of voting (including remote e-voting) in the meeting is Monday, 23<sup>rd</sup> September, 2019.
- g. Members are requested to carefully read the instructions for remote e-voting before casting their vote.

The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

COMMENCMENT OF E-VOTING	END OF E-VOTING
Friday, 27 <sup>th</sup> September, 2019 at 10.00 A.M	Sunday, 29 <sup>th</sup> September, 2019 at 5.00 P.M.

- i. Any member, who have cast his/her/its vote through remote e-voting, may participate in the annual general meeting but shall not be allowed to vote at the AGM
- j. Persons who have acquired shares and became members of the Company after dispatch of the Notice of AGM but before the cut-off date of Monday, 23<sup>rd</sup> September, 2019, may obtained their user ID and password for e-voting from the Company's Registrar and share transfer Agent or CDSL.

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

- (i) The voting period begins on **Friday**, 27<sup>th</sup>September, 2019at 10.00 A.M and ends on Sunday, 29<sup>th</sup> September, 2019 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23<sup>rd</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website <u>www.evotingindia.com</u>.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to <u>www.evotingindia.com</u> and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both
	demat shareholders as well as physical shareholders)
	Members who have not updated their PAN with the Company/Depository Participant are
	requested to use the first two letters of their name and the 8 digits of the sequence number
	in the PAN field.
	• In case the sequence number is less than 8 digits enter the applicable number of 0's before
	the number after the first two characters of the name in CAPITAL letters. Eg. If your name
	is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your
Bank	demat account or in the company records in order to login.
Details	• If both the details are not recorded with the depository or company please enter the member
OR	id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
Date of	
Birth	
(DOB)	

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **QUALITY SYNTHETIC INDUSTRIES LIMITED** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

#### (xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at <a href="www.evotingindia.com">www.evotingindia.com</a>, under help section or write an email to helpdesk.evoting@cdslindia.com.

If any member has any problem/ query regarding e-voting then he may contact to the below person:

Name : Puneet Mittal, Designation : General Manager

Address : M/s BEETAL Financial & Computers Services Pvt. Ltd.

BEETAL HOUSE, 99, Madangir, Behind Local Shopping centre Near Dada

Harsukh Dass Mandir, New delhi-110 062 beetalrta@gmail.com

E-mail id : <u>beetalrta@gmail.com</u> Phone No. : <u>011-29961281(6 Lines)</u>

- i. The e-voting module shall be disabled by CDSL for voting after Sunday, 29<sup>th</sup> September, 2019 (After05.00 pm).
  - ii. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on cutoff date i.e.23<sup>rd</sup> September, 2019.
  - iii. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutinizer, by use of ballot/polling for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
  - iv. The Scrutinizer immediately after conclusion of voting by eligible members at AGM (through polling paper) shall, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting, in presence of at least two (2) witness not in the employment of the Company. Thereafter, the scrutinizer shall prepare consolidated report and forward it to the Chairman of the Company, or any other director so authorized, who shall counter sign the same and declare the result within 48 hours of conclusion of the AGM. The result of AGM shall be declared by intimating to the stock exchanges and by placing on the website of the Company and Agency. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting. i.e. Monday, the 30<sup>th</sup> of September, 2019.
- 1. A Member can opt for only one mode of voting i.e. either through remote e-voting or at the venue of AGM through polling paper. If a Member casts his/her vote by both modes, then voting done through remote e-voting shall prevail and the voting through polling paper shall be treated as invalid.
- m. The result declared alongwith the Scrutinizer's Report shall immediately be placed on the Company's website <a href="www.qualitysyntheticfibre.com">www.qualitysyntheticfibre.com</a> and on the web-site of CDSL <a href="www.evotingindia.com">www.evotingindia.com</a> and communicated to the MSEI and CSE Ltd., where the shares of the company are listed

#### **EXPLANATORY STATEMENT**

(Pursuant to Section 102 (1) of the Companies Act, 2013("the Act"), attached to the Notice dated 03<sup>rd</sup> September 2019 convening the 44<sup>th</sup> Annual General Meeting)

## **SPECIAL BUSINESSES:**

#### ITEM NO. 3

#### **Ordinary Resolution**

The Board of Directors of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, provisions under the Listing Regulations 2015 and section 161(1) of the Act, and the Articles of Association of the Company, Shri Rannveer Singh Rishi as an Additional Director (Independent Category) of the Company with effect from 25<sup>th</sup>February, 2019.

In terms of the provisions of Section 161(1) of the Act, Shri Rannveer Singh Rishi would hold office upto the date of the ensuing Annual General Meeting.

Shri Rannveer Singh Rishi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence a company should propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term upto 5(five) consecutive years on the Board of the Company and she/he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Shri Rannveer Singh Rishi that he meets the criteria of independence as prescribed both under the sub-section (6) of Section 149 of the Act and under Regulation 16 of the Listing Regulations, 2015. The Board of Directors believes that Smt. Jaspreet Arora possesses appropriate skills, experience and knowledge.

A notice in writing pursuant to section 160 of the Companies Act, 2013 as amended has been received in the prescribed manner.

In the opinion of the Board, Shri Rannveer Singh Rishi fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Shri Rannveer Singh Rishi is independent of the management.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Shri Rannveer Singh Rishi is appointed as an Independent Director.

Copy of the draft letter of appointment of Shri Rannveer Singh Rishi as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 3 of the Notice.

The Board in view of the aforesaid legal requirements recommends the Ordinary Resolution set out at Item No.3 for approval by the shareholders.

Details of the Directors as required to be provided pursuant to Regulation 36(3) of the Listing Regulations and SS - 2 (Secretarial Standards on General Meetings) are provided as an **Annexure** to this Notice.

#### ITEM NO. 4

In the light of provisions of the Companies Act, 2013, the Board of Directors of your company seeks to obtain overall consent of the shareholder with monetary annual limits that the Board of Directors may enter into with its Related Parties (as defined under the Companies Act, 2013) from time to time for the financial year 2019-20 and beyond depending upon the business exigencies as it would be in compliance of and consistent with the requirement of obtaining prior approvals of the shareholders for each and every Related Party transactions.

All prescribed disclosures as required to be given under the provisions of Companies Act, 2013 and the Companies (Meeting of the Board and the Powers) Rules, 2014 are given in Resolution no. 04 under Special Business of the Notice in the tabular format for the kind perusal of the members.

Members are hereby informed that pursuant to the second proviso of section 188(1) of Companies Act, 2013, no member of the company shall vote on such Ordinary resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors of your company has approved this item in the Board Meeting held on 04<sup>th</sup> September, 2019 and recommends the Resolution as set out in the Notice for the approval of members of the Company as an Ordinary Resolution.

Except Promoter Directors and Key Managerial Personnel of the Company and their relatives, no other Director is concerned or interested in the Resolution.

BY ORDER OF THE BOARD
QUALITY SYNTHETIC INDUSTRIES LIMITED
SD/(RITU PODDAR)
COMPANY SECRETARY

#### **Registered Office:**

Room No. 107, Anand Jyoti Building, 1<sup>st</sup> Floor, 41, Netaji Subhash Road, Kolkata, West Bengal-700001 CIN: L65929WB1975PLC029956 Date: 04<sup>th</sup> September 2019.

**ANNEXURE** 

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD - 2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI) INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE RE- APPOINTED/ APPOINTED UNDER IS FURNISHED AS BELOW:

Name of Directors	SHRI A. K. Sureka	Shri Rannveer Singh Rishi
DIN	00060206	08253892
Date of Birth	08-09-1978	11-03-1993
Date of First Appointment	01-12-2003	25-02-2019
Qualification	Graduate	Senior Secondary
Expertise in specific functional area	21 Years working experience in Steel Industry	Having experience of around 05 years in the field of steel industry.
Relation with other Directors	Not Related to any of Directors of the company	Not Related to any of Directors of the company
List of public companies in which directorship held (including foreign Companies)	- Jotindra Steel & Tubes Ltd.	- Mauria Udyog LtdSri Narayan Rajkumar Merchants LtdBihariji Ispat Udyog Ltd Jotindra Steel & Tubes Ltd.
Chairman/ Member of the Committee of Board of Directors of other public Companies	Nil	Jotindra Steel & Tubes LtdAudit Committee(Member) - Nomination & Remuneration Committee (Member) - Stakeholders Relationship Committee(Member) Sri Narayan Rajkumar Merchants Ltd Audit Committee(Member) - Nomination & Remuneration Committee (Member) - Stakeholders Relationship Committee(Member) BiharijiIspatUdyogLtd Audit Committee(Member) - Nomination & Remuneration Committee (Member) - Stakeholders Relationship Committee (Member) - Stakeholders Relationship Committee (Member) - Stakeholders Relationship Committee (Member) - Nomination & Remuneration Committee (Member) - Nomination & Remuneration Committee (Member) - Stakeholders Relationship Committee (Member)
Shareholding in the Company	8300 Equity shares of Rs. 10/ each(As on 31.03.2019)	NIL

Your Directors have the pleasure in presenting the 44<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2019.

#### FINANCIAL RESULTS:

The Financial Results for the year ended 31st March, 2018 are as under:-

(RS. in lacs)

(CIN: L65929WB1975PLC029956)

PARTICULARS	2018-19	2017-18
Gross Sales & Other Income	448.49	101.56
Gross Profit/(Loss) before Finance Cost, Depreciation & Taxes	254.74	60.09
Less: Finance Cost	44.85	22.39
Less: Depreciation	2.02	2.14
Profit Before Tax	207.87	35.56
Provision for Tax	(45.03)	(9.16)
MAT Credit Entitlement	(15.18)	(14.25)
Adjustment for Deferred Tax Assets/Liabilities	-	-
Net Profit After Tax	147.66	12.16
Transfer to General Reserve	(116.50)	(7.26)
Earning per equity share (Basic & Diluted)	2.68	0.22

#### PERFORMANCE REVIEW:

Your Company achieved satisfactory performance in turnover and net profits. As compared to previous year the Gross Sales and profits has increased markedly. Also net profits after tax increased to Rs. 147.66 Lakhs compared to Rs.12.16 Lakhs during previous year. Your directors are committed to further revamp the financial performance of the company and hopeful of better performance in the forthcoming years.

#### **DIVIDEND & RESERVES:**

In order to conserve the financial resources of the company, the Board of Directors have not recommended payment of dividend to the equity shareholders of the company for the financial year 2018-19 closed on 31<sup>st</sup> March, 2019.

During the financial year 2018-2019 under report the net profit after tax of Rs. 147.66 lakhs, before being transferred to general reserve, has been adjusted against Income tax for earlier years for Rs. 1.67 lakh, RBI Reserve Fund for NBFC for Rs. 29.50 Lakhs. Remaining Rs. 116.50 Lakh after aforesaid adjustments has been transferred to General Reserve.

#### **SHARE CAPITAL:**

The paid up equity share capital as on 31<sup>st</sup> March 2019 was 550.00 Lacs. There was no public issue, rights issue, bonus issue or preferential issue, etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares, nor has it granted any stock options.

#### **FIXED DEPOSITS:**

The company has not accepted any deposits from public and is not, therefore, required to furnish information in respect of outstanding Deposits as required under Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1988.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of the Loans, Guarantees and Investments covered under the provisions of section 186 of the Act are given in the notes to the Financial Statements ended March 31, 2019.

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#### RELATED PARTY TRANSACTIONS:

A detailed report on contracts and arrangements made during the year 2018-19, transactions being in the ordinary course of business and at arm's length have been reported and annexed hereto in this report in the prescribed form AOC-2, as per Annexure-1 read with note no. 12 (other notes on accounts) of the Financial Statement.

The terms & conditions of the abovementioned transactions are not prejudicial to the interest of the Company and there is no transaction of material nature. The closing balance of such related parties, wherever outstanding, is not overdue.

#### NUMBER OF MEETINGS OF THE BOARD:

**Eleven Meetings** of the Board of Directors were held during the financial year 2018-2019 and the gap between two Board Meetings did not exceed one hundred & twenty days. The necessary quorum was present for all the meetings. During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the Board as a whole.

#### **BOARD EVALUATION:**

The Board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 ("the Act") and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Regulation 17(10) of Listing Obligations & Disclosure Requirements, Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

#### FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

# DISCLOSURE PURSUANT TO RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Disclosure pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 has been made in the prescribed Format and forms part of the Directors' Report as Annexure IV.

# SEPARATE MEETING OF INDEPENDENT DIRECTORS:

In terms of requirements under Schedule IV of the Companies Act 2013 and the Listing Regulations, 2015, a separate meeting of the Independent Directors was held on 12/02/2019.

The independent Directors at the meeting reviewed the following:-

- Performance of Non Independent Directors and board as a whole.
- Performance of the Chairperson of the company, taking into the account the views of executive directors and non-executive directors.
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### LISTING OF STOCK EXCHANGES:

Your Directors take an immense pleasure in informing you that with effect from 28<sup>th</sup> August, 2015, the Equity shares of your company (bearing ISIN: INE062F01011) got listed and admitted to dealings on the Capital Market Segment of Metropolitan Stock Exchange of India Ltd. (Formerly known as MCX Stock Exchange Limited).

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#### **CORPORATE GOVERNANCE:**

The Board of Directors and Management believe in adopting and practicing principles of Good Corporate Governance with a view to:-

- Safeguard shareholders' interest through sound business decisions, prudent financial management and high standard of business ethics: and
- Achieve transparency, accountability and integrity in the dealings and transactions of the Company

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards, have been followed and there are no material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating affectively.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal controls and compliance systems established and maintained by the company, work performed by the internal, statutory and secretarial auditor and external consultants and the reviews performed by management and the relevant Board Committees, including the audit committee, the board is of the opinion that the company's internal financial control were adequate and effective during the financial 2018-19.

# DIRECTORS & KEY MANAGERIAL PERSONNEL/ DECLARATION ON INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 149 (7) of the Companies Act, 2013 ("Act), all Independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Regulations, 2015.

Shri Akhil Kumar Sureka (DIN:00060206) retires by rotation and being eligible has offered himself for re-appointment.

Keeping in view the vast experience and the contributions to the Board, the Board of Directors have recommended for the re-appointment of Shri Akhil Kumar Sureka as a Director of the Company liable to retire by rotation.

During the year under review Smt. Jaspreet Arora (DIN: 06959857) a Non-executive independent director resigned from the Board wef 12-02-2019 and Mr. Rannveer Singh Rishi (DIN:08253892) was appointed as an Additional director in non-executive independent category wef February 25, 2019

In line with the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 including the Rules made thereunder ('the Act') and the Listing Regulations, 2015 Mr. Rannveer Singh Rishi is eligible for appointment as an independent director for a term of Five years. The Board of Directors of the Company and the Nomination and Remuneration Committee have evaluated the performance of the said Independent Director and on the basis of the said evaluations it is now proposed that Mr. Rannveer Singh Rishi Independent Director of the Company be appointed for a term of five consecutive years, commencing from February 25, 2019 ending upto February 24, 2024."

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During the year the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

#### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed under the heading Nomination and Remuneration Committee/Policy below.

#### COMMITTEES OF THE BOARD OF DIRECTORS:

#### **AUDIT COMMITTEE:**

The constitution of the Audit Committee is in accordance with the requirements of Section 177 of the Companies Act, 2013 (here-in-after known the "Act"). This committee as on 31<sup>st</sup> March, 2019 consisted of three directors, namely Shri Madhav Sureka (Non-executive Independent director), Smt. Sujata Kumar (Non-executive Independent director) and Shri Akhil Kumar Sureka (Executive-Promoter) with Shri Madhav Sureka as its Chairman.

- (i) The terms of reference of the Audit Committee are as set-out in Section 177 of the Act.
- (ii) The Audit Committee had seven Meetings during the financial year 2018-19 ended on 31<sup>st</sup> March, 2019 as per details thereof and the names of Directors who attended the said meetings, are as under:-

Attendance of Directors at the Audit Committee Meetings held during the financial year 2017-18:-

Name of	12.04.2018	29.05.2018	13.08.2018	04.09.2018	13.11.2018	12.02.2019	26.03.2019
Director							
Shri Madhav	Yes						
Sureka							
Shri A.K.	No	Yes	Yes	No	Yes	Yes	Yes
Sureka							
*Smt. Sujata	Yes	Yes	No	Yes	Yes	No	No
Kumar							

# POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

#### NOMINATION AND REMUNERATION COMMITTEE:

Your directors have constituted the Nomination and Remuneration Committee comprising of Shri Madhav Sureka as Chairman, and Shri Anand Kumar Gupta & Smt. Jaspreet Arora upto 12.02.2019 who resigned from the Board and Sh. Rannveer Singh Rishi in her place wef 25.02.19 as members. Constitution of the Nomination and Remuneration Committee as at March 31, 2019 is given below along with meetings held and attendance thereat:

Name of Director	Category
Shri Madhav Sureka	Chairman of the Committee;
	Non-Executive and Independent Director
Shri Anand Kumar Gupta	Member; Non-Executive Promoter
Sh. Rannveer Singh Rishi	Member; Non-Executive and Independent Director

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The said committee has been entrusted with the responsibility of formulating and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board, devising a policy on Board diversity and identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the board their appointment and removal.

During the year under report there was one meeting of the Nomination & Remuneration Committee held on 25-02-2019.

Pursuant to Section 178 of the Act, the Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy which provides guidance on:

**Selection Criteria for Directors:** The Company shall consider the following aspects while appointing a person as a Director on the Board of the Company:

**Skills and Experience:** The candidate shall have appropriate skills and experience in one or more fields of technical operations, finance, law, management, sales, marketing, administration, public administrative services, corporate governance, or any other discipline related to the Company's business.

**Age Limit:** The candidate should have completed the age of twenty-one (21) years and should not have attained the age of seventy (70) years.

**Conflict of Interest:** The candidate should not hold Directorship in any competitor company, and should not have any conflict of interest with the Company.

**Directorship:** The number of companies in which the candidate holds Directorship should not exceed the number prescribed under the Act or under the Listing Agreement requirements.

**Independence:** The candidate proposed to be appointed as Independent Director, should not have any direct or indirect material pecuniary relationship with the Company and must satisfy the requirements imposed under the Act or under the Listing Agreement requirements

**Selection Criteria for Senior Management:** As per policy, Senior Management for the purpose of this policy shall mean employees hired at the level of Divisional Heads and Corporate Functional Heads or equivalent positions. The policy provides that the candidate should have appropriate qualifications, skills and experience for discharging the role. The qualifications, skills and experience of each such position shall be defined in the job description, which will be maintained by the HR function.

**Remuneration for Directors, KMP and other Employees:** The policy provides that the remuneration of Directors, KMP and other employees shall be based on the following key principles:

- Pay for performance: Remuneration of Executive Directors, KMP and other employees is dependent on short and long-term performance objectives appropriate to the working of the Company and its goal. The remuneration of Non-Executive Directors shall be decided by the Board based on the profits of the Company and industry benchmarks.
- Balanced rewards to create sustainable value: The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors and employees of the Company and encourage behavior that is aligned to sustainable value creation.

• **Competitive compensation:** Total target compensation and benefits are comparable to peer companies in the manufacturing industry and commensurate to the qualifications and experience of the concerned individual.

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• Business Ethics: Strong governance processes and stringent risk management policies are adhered to, in order to safeguard our stakeholders' interest.

#### **Performance Evaluation:**

The process approved by the Nomination and Remuneration Committee requires the Chairman to initiate the performance evaluation process in the months of January-March every year. The performance evaluation is conducted based on approved criteria in the evaluation forms. The process highlights are as under:

- a) **Board:** Each Board member completes the self-evaluation form. Independent Directors discuss the self-evaluation forms in a separate meeting and share their feedback with the Chairman. The Chairman discusses the evaluation form analysis with the Managing Director and later with the entire Board at the Board Meeting
- b) **Committees:** Each Committee member completes the self-evaluation form and shares feedback with the Chairman. The Chairman discusses the evaluation form analysis with the Managing Director and later with the entire Board at the Board Meeting.
- c) Chairman and Executive Directors: Each Board member completes the peer evaluation form. Independent Directors discuss the peer evaluation forms in separate meeting and share their feedback with the Chairman. The Chairman conveys feedback individually to the concerned Directors.
- d) **Independent Directors:** Each Board member completes the peer evaluation and shares feedback with the Chairman. The Chairman conveys feedback individually o the concerned Directors.

#### **Remuneration to Director:**

Sitting fees of Rs.250/- for attending Board Meeting is paid to each of the directors, who are not paid any remuneration. There is no pecuniary relationship and transactions with Non-Executive Directors.

Since Shri A. K. Sureka opted to be an honorary Managing Director of the company, no remuneration in the capacity as Managing Director was paid to him during the financial year 2018-19 ended on 31<sup>st</sup> March, 2019. Sitting fees paid to Directors for meetings of the Board/Committee:-

		Rs.
Shri A.K. Sureka		2000/-
Shri Anand Gupta		750/-
Shri. Madhav Sureka		2500/-
Smt. Sujata Kumar		1000/-
Smt Jaspreet Arora*		1250/-
Sh. Rannveer Singh Rishi**		250
-	Total	775 <u>0</u> /-
*Resigned wef 12-02-2019		_

<sup>\*\*</sup>Appointed weef 25-02-2019

> Service contracts, notice period, severance fees- N.A.

Number of shares and convertible instruments held by non-executive directors. - Nil

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Your directors have re-constituted the existing Shareholders' Grievance Committee by broadening the scope to include all security holders and their grievance- redressal as part of the new mandatory Committee to be called Stakeholders' Relationship Committee comprising of Shri Madhav Sureka as Chairman, and Smt. Sujata Kumar and Smt. Anand Kumar Gupta as members.

During the year 2018-19 the Stakeholders Committee met twice to and provided status updates to the Board of directors of the company.

Status of Share-transfer/ Shareholder's complaint during the year 2018-19

Number of pending transfers Nil

Number of Shareholders'

Complaints received Nil

**Number of Complaints** 

Not solved/pending for redressal Nil

#### RISK MANAGEMENT POLICY

The Company has developed and implemented the Risk Management Policy and the Audit Committee of the Company reviews the same periodically. The Company recognizes that risk is an integral and unavoidable component of business and hence is committed to managing the risk in a proactive and effective manner. The Company's Management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Risk Management System of the Company and are managed accordingly.

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#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

Your directors have established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism. The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or ethic policy. This mechanism also provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

During the year 2018-2019, no such report were made to the Chairman of Audit Committee.

#### PREVENTION OF SEXUAL HARASSMENT POLICY:

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

During the year 2018-2019, no complaints were received by the Company related to sexual harassment and hence no complaint is pending as on 31.03.2018 for redressal.

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

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

Significant material orders passed by regulators: Hon'ble Supreme Court of India, vide its order dt 23.07.2019 in the case of Bikram Chatterji &Ors (Petitioner's) vs Union Of India &Ors. (Respondent) has dealt with Financial transaction of Amrapali Group of Companies with various companies including Sureka Group Of Companies which also includes Quality Synthetics Industries Ltd. Based on observations of Forensic Auditors viz; Mr. Pawan Kumar Aggarwal (Auditor of Sharp and Company) and Mr. Ravi Bhatia (Auditor of Bhatia and Company) following are the allegations and corresponding replies of company:-

a) amount of Rs. 5 Cr. is said to be recovered from Company:- However company denies the same as it was not at all diversion of Fund but amount recovered which was paid as advance.

b) Diversion of fund from Amrapali group companies to Quality Synthetics Industries Limited to the tune of Rs. 3.86 crores. The company denies the same as the above allegation was factually incorrect ( clear from books of accounts).

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#### CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

#### **INTERNAL FINANCIAL CONTROLS:**

The Company has identified all key internal financial controls, which impacts the financial statements, as part of Standard Operating Procedures (SOPs). The SOPs are designed for all critical processes across all plants, warehouses and offices wherein financial transactions are undertaken. The SOPs cover the standard processes, risks, key controls and each process is identified to a process owner. The financial controls are tested for operating effectiveness through management ongoing monitoring and review process and independently by the Internal Audit. In our view the Internal Financial Controls, effecting the financial statements are adequate and are operating effectively.

# INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The internal control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audits conducted by in house trained personnel. The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons. Apart from the above the company has engaged Sh. S.K.Jain, Chartered Accountants, Faridabad to conduct Internal Audit during the year 2018-19.

#### **STATUTORY AUDITORS:**

Pursuant to the provisions of section 139 of the Companies Act, 2013, the members at the 42<sup>nd</sup> Annual General Meeting of the Company held on 12<sup>th</sup> September 2017 appointed M/s. SENSONS, Chartered Accountants, Faridabad with Firm Registration Number 002817N as the Statutory Auditors of the Company from the conclusion of 42<sup>nd</sup> Annual General Meeting till the conclusion of 47<sup>th</sup> Annual General Meeting, covering one term of five consecutive years on a remuneration as may be mutually agreed upon between Shri A.K. Sureka Managing Director and the aforesaid Auditors, subject to ratification by the members at each intervening Annual General Meeting. In view of the amendment to the said section 139 through the Companies (Amendment) Act, 2017 notified on 7 May 2018, ratification of auditors' appointment is no longer required.

#### **AUDITORS' REPORT:**

Auditors' observations in their Report are explained in various notes to the accounts and, therefore, do not call for any further comments

The statutory audit report for the year 2018-19 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

#### **SECRETARIAL AUDITOR:**

The Board of Directors of the Company, in compliance with section 204 of the Act have appointed Ms. Jyoti Arya, Practicing Company Secretary (M. No.-A48050/ COP-17651) of M/s. Jyoti Arya & Associates, Company Secretaries, as the Secretarial Auditors to conduct secretarial audit of the Company for the FY 2018-19. The Secretarial Audit Report as per Section 204 of the Act for FY 2018-19 is placed as annexure to this report

#### **MANAGEMENT DISCUSSION & ANALYSIS:**

A Public Limited Company in the name of Quality Investments Limited was got incorporated on 5<sup>th</sup> April, 1975 with registration certificate issued by the Registrar of Companies West Bengal vide Registration Certificate No. 29956 of 1975 with seven subscribers to the Memorandum of Association with the object of financing business. The Certificate of commencement of business was also granted by ROC to the company on 5<sup>th</sup> May, 1975. Subsequently, the name of the company was changed to Quality Synthetic Industries Limited and a fresh Certificate of Incorporation was obtained on 8<sup>th</sup> March, 1988 with the object of taking up the business of financing and manufacturing.

The Company is a non-banking financial Company and was got registered with the Reserve Bank of India on 23.03.1998.

The Company is listed on Metropolitan Stock Exchange of India Ltd.(MSEI) and Calcutta Stock Exchange and the last quoted price at Calcutta Stock Exchange was of Rs.155.25 being the highest and Rs. 134.70 being the lowest during the financial year 2005-06.

The Company has started the business of real estate to purchase and sell the land and with this end in view, the Company has made an agreement to purchase the land. In this way, the company has diversified its activities from financing to development of real estate business.

It is a cash rich company and has earned substantial profits during the last several years.

#### **RISKS & CONCERNS:**

At Quality Synthetic Industries Limited, all key functions and divisions are independently responsible to monitor risk associated within their respective areas of operation such as financing and dealing in the sale/purchase of securities of other bodies corporate. Since the trading of securities is governed by the fluctuating trend of the market of securities listed on Stock Exchanges not only of the country but also of abroad as well as the government policies from time to time, profitability of the company is very much volatile.

Your company has identified the following risks with possible impact on the company and the mitigation plans of the company:

Key Risk	Impact on the Company	Mitigation Plans
Fluctuations in the values	Profitability of the company is	By diversifying the portfolio so as to
of Securities listed on	dependent on fluctuating trend of the	minimize the impact of wide
Stock Exchanges	market of securities listed on Stock	fluctuations in market prices of
	Exchange.	securities.
Compliance risk.	Any default can attract heavy penal	By regularly monitoring and reviewing
	provisions.	of changes in the regulatory framework
		and timely compliance thereof.
Interest Rate-risk.	Any increase in interest rate can affect	Dependence on debt is minimum and we
	the finance cost.	have sufficient funds with Banks to
		settle the entire debt in case need arises.

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

Information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies(Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo:

#### A. CONSERVATION OF ENERGY:

Measures taken, additional investments and impact on reduction of energy consumption Disclosure of particulars with respect to Conservation of Energy.

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#### **B. TECHNOLOGY ABSORPTION**

Disclosure of particulars with respect to Technology Absorption

NA

(CIN: L65929WB1975PLC029956)

(i) Efforts in brief made towards technology absorption, adaptation and innovation & (ii) Benefits derived as a result of the above efforts & (iii) Technology Imported during the last three years.

Following steps have been taken for enhancing productivity and quality improvements, resulting in enhanced safety and environmental protection measures and conservation of energy:-

1. Expenditure on R&D: -NA-

#### (A) FOREIGN EXCHANGE EARNINGS AND OUT GO:

(Rs. in Lacs)

		2018 – 19	2017 – 18
a)	F.O.B. Value of Exports	Nil	Nil
b)	Earning in foreign exchange	Nil	Nil
c)	Foreign Exchange out go – Travelling	Nil	Nil

#### PARTICULARS OF EMPLOYEES:

The Disclosure as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is enclosed herewith as an Annexure.

As there has been no employee during the year under review who were paid remuneration of Rs. 84.00 Lakh per annum or more, if employed throughout the year or Rs. 5.00 Lakh per month and more, if employed for the part of the year, and also there has been no employee in receipt of remuneration during the year, at a rate which in aggregate is in excess of that drawn by the Managing director or Whole-time director and thereforethe information as required under Section 5 (2)& (3) of the aforesaid Rule is not called for.

#### **GENERAL:**

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

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- c) As there is no subsidiary neither the Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from its subsidiaries.
- d) During the year under review, neither any fraud of any kind on or by the Company has been noticed by the Board of Directors of the Company nor reported by the Auditors of the Company. The Company has an internal financial control system, commensurate to the size of the business, in place.

#### **ACKNOWLEDGEMENT:**

Your Directors wish to express their gratitude to the Banks, Employees as well as Customers for their timely help in smooth functioning of your Company. Your Directors also extend their thanks to all the Shareholders of the Company for their trust and confidence in the Board of Directors of the Company.

By order of the Board of Directors

**QUALITY SYNTHETIC INDUSTRIES LIMITED** 

#### **Registered Office:**

Room No. 107, 1<sup>st</sup> Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata – 700001 CIN:L65929WB1975PLC029956 Date: 04<sup>th</sup> September, 2019

Sd/-

Sd/-

AKHIL KUMAR SUREKA (Managing Director) DIN-00060206 MADHAV SUREKA (Director) DIN-0689850

## FORM NO. MGT 9

#### **EXTRACT OF ANNUAL RETURN**

#### As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. RE	GISTRATION & OTHER DETAILS:	
1	CIN	L65929WB1975PLC029956
2	Registration Date	05/04/1975
3	Name of the Company	QUALITY SYNTHETICS INDUSTRIES LTD.
4	Category/Sub-category of the Company	Public Limited Company
5	Address of the Registered office & contact details	ANAND JYOTI BUILDING, ROOM NO - 107, 1ST FLOOR, 41,NETAJI SUBHAS ROAD, KOLKATA WB 700001 IN
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mr. Puneet Mittal, General Manager, Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062.

# II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Ī	S. No.	Name and Description of main products / services	NIC Code of the	% to total turnover of the
			Product/service	company
Ī	1	Convertion of stock into Investments	661	100

ſ	III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL										
	SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section						
	1											

## IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

#### (i) Category-wise Share Holding

Category of Shareholders	No. of Sha	res held at the [As on 31-Ma	e beginning of arch-2018]	the year	No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	year
A. Promoters									
(1) Indian									
a) Individual/ HUF	391,915	-	391,915	7.13%	391,915	-	391,915	7.13%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.	1,796,114	-	1,796,114	32.66%	1,854,914	-	1,854,914	33.73%	3.27%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	2,188,029	-	2,188,029	39.78%	2,246,829	-	2,246,829	40.85%	2.69%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	2,188,029	-	2,188,029	39.78%	2,246,829	-	2,246,829	40.85%	2.69%

B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	905600	50	905,650	16.47%	905600	50	905,650	16.47%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	432450	356355	788,805	14.34%	165450	15837	181,287	3.30%	-77.02%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	924056	541955	1,466,011	26.65%	1232167	782562	2,014,729	36.63%	37.43%
c) Others (specify)	147000	4,505	151,505		147000	4505	151,505	2.75%	
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	2,409,106	902,865	3,311,971	60.22%	2,450,217	802,954	3,253,171	59.15%	-1.78%
Total Public (B)	2,409,106	902,865	3,311,971	60.22%	2,450,217	802,954	3,253,171	59.15%	-1.78%
C. Shares held by Custodian for GDRs &			-	0.00%				0.00%	0.00%
ADRs									

(ii) Shareholding of Promoter

SN	Shareholder's Name	Sharehold	ing at the begir	ning of the	Shareho	olding at the er	nd of the year	% change in shareholding
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	during the year
1	Akhil Kumar Sureka	8300	0.15%	0	8300	0.15%	0	0.00%
2	Deepa Sureka	2500	0.05%	0	2500	0.05%	0	0.00%
3	Deepanshu Sureka	275465	5.01%	0	275465	5.01%	0	0.00%
4	Navneet Kumar Sureka	14633	0.27%	0	14633	0.27%	0	0.00%
5	Prem Lata Sureka	4584	0.08%	0	4584	0.08%	0	0.00%
6	Veena Aggarwal	30050	0.55%	0	30050	0.55%	0	0.00%
7	Vishnu Kumar Sureka	25633	0.47%	0	25633	0.47%	0	0.00%
8	Vishnu Kumar Sureka huf	30750	0.56%	0	30750	0.56%	0	0.00%
9	Bihariji Ispat Udyog Limited	528353	9.61%	0	528353	9.61%	0	0.00%
10	Bihariji Land And Housing Pvt Ltd	0	0.00%	0	20000	0.36%	0	0.00%
11	Bihariji Power Projects Private Limited	0	0.00%	0	20000	0.36%	0	0.00%
12	Bihariji Fancy Fibers & Fabrics Ltd	281200	5.11%	0	282200	5.13%	0	0.36%
13	Deepak Hotels Pvt Ltd	0	0.00%	0	20000	0.36%	0	0.00%
14	Mauria Udyog Limited	36650	0.67%	0	36650	0.67%	0	0.00%
15	Ram Forgings Pvt Ltd	0	0.00%	0	20000	0.36%	0	0.00%
16	Srinarayan Rajkumar Merchants Limited	766711	13.94%	0	857911	15.60%	0	11.89%
17	Udayachal Leasing And Exports Limited	0	0.00%	0	11000	0.20%	0	0.00%

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

SN	Particulars	Date	Reason	Shareholding at the begin	ning of the	Cumulative Shareholding du	ring the year
				year			
				No. of shares	% of total	No. of shares	% of total
					shares		shares
	At the beginning of the year			2,004,829	36.45%	2,004,829	36.45%
	Changes during the year						
	UDAYACHAL LEASING AND EXPORTS LIMITED	15.12.2017	purchase	11,000	0.20%		
	BIHARIJI POWER PROJECTS PRIVATE LIMITED	15.12.2017	purchase	20,000	0.36%		
	BIHARIJI LAND AND HOUSING PVT LTD	15.12.2017	purchase	20,000	0.36%		
	RAM FORGINGS PVT LTD	15.12.2017	purchase	20,000	0.36%		
	SRINARAYAN RAJKUMAR MERCHANTS	15.12.2017	purchase	75,200	1.37%		
	PRIVATE LIMITED	31.03.2018	purchase	16,000	0.29%		
	Bihariji Fancy Fibers & Fabrics Ltd	08.12.2017	purchase	1,000	0.02%		
	DEEPAK HOTELS PVT LTD	15.12.2017	purchase	20,000	0.36%		
	At the end of the year			2,188,029	39.78%	2,188,029	39.78%

# (iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	HEMANT VENKATARAMANI						
	At the beginning of the year			278,811	5.07%	278,811	5.07%
	Changes during the year				0.00%		0.00%
	At the end of the year			278,811	5.07%	278,811	5.07%

2	PRAMOD KUMAR AGARWAL				
	At the beginning of the year	193,300	3.51%	193,300	3.51%
	Changes during the year		0.00%		0.00%
	At the end of the year	193,300	3.51%	193,300	3.51%
3	SANGEETA AGGARWAL				
	At the beginning of the year	173,785	3.16%	173,785	3.16%
	Changes during the year		0.00%		0.00%
	At the end of the year	173,785	3.16%	173,785	3.16%
4	PRAMOD KUMAR AGARWAL				
	At the beginning of the year	124,500	2.26%	124,500	2.26%
	Changes during the year		0.00%		0.00%
	At the end of the year	124,500	2.26%	124,500	2.26%
5	MERU FINANCE PRIVATE				
	At the beginning of the year	95,200	1.73%	95,200	1.73%
	Changes during the year		0.00%		0.00%
	At the end of the year	95,200	1.73%	95,200	1.73%
6	VINAM DISTRIBUTORS				
	At the beginning of the year	61,900	1.13%	61,900	1.13%
	Changes during the year		0.00%		0.00%
	At the end of the year	61,900	1.13%	61,900	1.13%
7	ROHIT JAIN				
	At the beginning of the year	60,000	1.09%	60,000	1.09%
	Changes during the year		0.00%		0.00%
	At the end of the year	60,000	1.09%	60,000	1.09%
8	RAHUL JAIN				
	At the beginning of the year	60,000	1.09%	60,000	1.09%
	Changes during the year		0.00%		0.00%
	At the end of the year	60,000	1.09%	60,000	1.09%
9	EPICA FINANCE PRIVATE				
	At the beginning of the year	55,200	1.00%	55,200	1.00%
	Changes during the year		0.00%		0.00%
	At the end of the year	55,200	1.00%	55,200	1.00%
10	SNOWDROP AGENCIES				
	At the beginning of the year	53,500	0.97%	53,500	0.97%
	Changes during the year		0.00%		0.00%
	At the end of the year	53,500	0.97%	53,500	0.97%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Personnel			No. of shares	% of total shares	No. of shares	% of total shares
1	Akhil Kumar Sureka						
	At the beginning of the year			8,300	0.15%	8,300	0.15%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			8,300	0.15%	8,300	0.15%

2	Devinder Kumar Gupta					
	At the beginning of the year		40,000	0.73%	40,000	0.73%
	Changes during the year		-	0.00%	-	0.00%
	At the end of the year		40,000	0.73%	40,000	0.73%

# V. INDEBTEDNESS

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

(Amt. Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the	financial year			
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the fi	nancial year	•		
* Addition				-
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the finance	ial year			
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-

# VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amour	
	Name	A.K. SUREKA		(Rs)	
	Designation	Managing Director			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-	
2	Stock Option			-	
3	Sweat Equity			-	
	Commission			-	
4	- as % of profit			-	
	- others, specify	2,000.00		2,000.00	
5	Others, please specify			-	
	Total (A)	2,000.00		2,000.00	
	Ceiling as per the Act				

# B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors						Total Amount
		F	Rannveer Anand Madhav Sujata Jaspreet Arora					
		9	Singh Rishi	Gupta	Sureka	Kumar		(Rs)
1	Independent Directors							
	Fee for attending board committee meetings		250.00		2,500.00	1,000.00	1,250.00	5,000.00
	Commission							-
	Others, please specify							-
	Total (1)		250.00		2,500.00	1,000.00	1,250.00	5,000.00

2	Other Non-Executive Directors							-
	Fee for attending board committee meetings			750.00				750.00
	Commission							-
	Others, please specify							-
	Total (2)	-		750.00		-		750.00
	Total (B)=(1+2)		250.00	750.00	2,500.00	1,000.00	1,250.00	5,750.00
	Total Managerial Remuneration			750.00	2,500.00	1,000.00	1,250.00	5,750.00
	Overall Ceiling as per the Act							

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	N	Total Amount		
	Name	NA	DAVINDER KUMAR GUPTA	RITU PODDAR	(Rs)
	Designation	CEO	CFO	CS	
1	Gross salary		757,115.00	144,000.00	901,115.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
	Commission				
4	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	757,115.00	144,000.00	901,115.00

# VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Туре	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY	1				
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS I	N DEFAULT				
Penalty					
Punishment					
Compounding					

DATE:04/09/2019 PLACE: KOLKATA FOR QUALITY SYNTHETIC INDUSTRIES LIMITED

Sd/-AKHIL KUMAR SUREKA

Sd/- Sd/IL KUMAR SUREKA MADHAV SUREKA
DIRECTOR DIRECTOR
DIN:00060206 DIN: 06889850

# Annexure - II

# **FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

# 1. Details of contracts or arrangements or transactions during FY 2018-19 not at Arm's length basis:

SL. No.	Particulars			
a)	Name (s) of the related party & nature of relationship	-		
b)	Nature of contracts/arrangements/transaction			
c)	Duration of the contracts/arrangements/transaction	-		
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-		
e)	Justification for entering into such contracts or arrangements or transactions'	-		
f)	Date of approval by the Board	-		
g)	Amount paid as advances, if any	-		
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-		

# 2. Details of material contracts or arrangements or transactions during the FY 2018-19 at Arm's length basis:

SL. No.	Particulars			
a)	Name (s) of the related party & nature of relationship	-		
b)	Nature of contracts/arrangements/transaction			
c)	Duration of the contracts/arrangements/transaction	-		
d)	Salient terms of the contracts or arrangements or transaction including the	-		
	value, if any			
e)	Date of approval by the Board	-		
f)	Amount paid as advances, if any	-		

Sd/-Akhil Kumar Sureka Managing Director DIN-00060206 Sd/Madhav Sureka
Director
DIN-06889850

(CIN: L65929WB1975PLC029956)

QUALITY SYNTHETIC INDUSTRIES LIMITED (CIN: L65929WB1975PLC029956)

## **QUALITY SYNTHETICS INDUSTRIES LTD.**

# Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

Annexure-IV

(i)		Director's Name		Ratio to medi	an remunera	tion	
- (-)	The Ratio of the Remuneration of each director to the median	Mr. Akhil Kumar Sureka,MD			NIL	•	
	remuneration of the employees of the company for the financial	Mr. Anand Kumar Gupta, Director	-		NIL		
	year 2018-2019	Mil. Aliana Kamai Gupta, Director	1		INIL		
(ii)		Director's/CFO/CEO/CS/ Manager %age increase in remuneration					
	The Percentage increase in remuneration of each director, Chief	Mr. Akhil Kumar Sureka,MD NIL					
	Financial Officer, Chief Executive Officer, Company Secretary, or	Mr. Anand Kumar Gupta, Director		NIL			
	Manager if any in the financial year 2018-19 compare to 2017-18	Mr. Devinder Kumar Gupta, CFO	1 .			-	
	means part of the year	Mrs. Ritu Poddar,Company					
		Secretary			-		
(iii)	Percentage increase in the median remuneration of employees in the financial year 2018-19 compared to 2017-18		-				
(iv)	Number of permanent employees on the rolls of the company	As on 31.03.2019		As on 3	1.03.2018		
	ivalliber of permanent employees on the rolls of the company	6			6		
(v)	Explanation on the relationship between average increase in remuneration and company performance	The Company's overall gross revenues touched Rs. 448.49 Lac/- which is 22.65% more than last year. Profit/loss before depreciaion and tax decrease/increase by 28.08% as compared to previous year.					
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company		NOT APPLIC	ABLE			
(vii)		Details		31.03.2019 31		1.03.2018	
		Market Capitalization	pitalization		NA		
	Variation in	Price Earning Ratio		NA		NA	
	14.14.1611111	Percentage Increase/decrease of	of market				
		quotations		NA			
		Net Worth of the Compa	ny	NA		NA	
(viii)		During 2018-19			g <b>2017-18</b>		
	Average Percentile increase in salaries of Employees other than	9.16%		9	.16%		
	managerial	Justification for increase with	Normalindu	-t	annlind has	nd an ingrass in	
		reasons for any exceptional	Normalinuu	•	nover	ed on increase in	
		circumstances		tui	novei	1	
(ix)		Name of Key Managerial Personnel	Remuneration for the years ended performan			Reason against performance of the company	
	Comparison of each remuneration of the Key Managerial		31.03.2019	31.03.2018	% change	-	
	Personnel against the performance of the Company	Mr. Akhil Kumar Sureka,WTD	NIL	NIL	-	-	
		Mr. Anand Kumar Gupta, Director	NIL	NIL	-	-	
		Mr. Devinder Kumar Gupta, CFO	757115	757115	0.00%	-	
		Mrs. Ritu Poddar,Company					
		Secretary	144,000	144,000	0.00%	-	
(x)	Key Paramater for any variable component of remuneration availed by the Directors	NA					
(xi)	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the higest paid director during the year	NIL					

The Board of directors of the company affirms that the remuneration is as per the remuneratio policy of the company. The statement showing the names of every employee of the company as per Rule 5(2) forms part of Director's report is attached thereto.





(Company Secretaries)

# Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To, The Members,

#### M/S QUALITY SYNTHETICS INDUSTRIES LTD

Anand Jyoti Building, Room No 107, 1<sup>st</sup> Floor, 41, Netaji Subhash Road, Kolkata-700001

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Quality Synthetics Industries Ltd (CIN: L65929WB1975PLC029956) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the company M/s Quality Synthetics Industries Ltd's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 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:

I/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, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;





(Company Secretaries)

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the Audit Period)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not applicable to the Company during the Audit Period)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period); and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (vi) (Mention the other laws as may be applicable specifically to the company):
    - 1. The Reserve Bank of India Act, 1934;
    - 2. The Factories Act, 1948;
    - 3. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
    - 4. Equal Remuneration Act, 1976;
    - 5. The Maternity Benefit Act, 1961;
    - 6. The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India-generally complied with.
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited and Metropolitan Stock Exchange of India Limited.

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

I/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. There was change in the composition of the Board of Directors during the period under review as Mrs. Jaspreet Arora, a non-executive independent director had resigned from the Board of



# **IYOTI ARYA & ASSOCIATES**

(Company Secretaries)

Directors w.e.f. 12<sup>th</sup> February 2019 and Mr. Rannveer Singh Rishi, joined the board as non-executive independent director of the Company w.e.f. 25<sup>th</sup> February 2019.

Adequate notice is given to all directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 or Committees of the Board as the case may be.

I/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.

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

#### FOR JYOTI ARYA & ASSOCIATES

(Practicing Company Secretaries)

Sd/-JYOTI ARYA

(Proprietor) Membership No.-A48050 COP No.-17651

Date: 01/08/2019 Place: New Delhi





(Company Secretaries)

ANNEXURE 'A'

To,
The Members,
M/S QUALITY SYNTHETICS INDUSTRIES LTD
Anand Jyoti Building, Room No 107, 1<sup>st</sup> Floor,
41, Netaji Subhash Road,
Kolkata-700001

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

- 1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4. Where-ever required, we have obtained the Management representation 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, standards is 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.

#### FOR JYOTI ARYA & ASSOCIATES

(Practicing Company Secretaries)

Sd/-

#### JYOTI ARYA

(Proprietor) Membership No.-A48050 COP No.-17651

Date: 01/08/2019 Place: New Delhi

#### **SENSONS**

#### CHARTERED ACCOUNTANTS

Office at : 1278, SECTOR-29, FARIDABAD-121008 PHONE: 0129-4045029, MOBILE-9810346240 E-mail:sensons2@gmail.com

#### INDEPENDENT AUDITOR'S REPORT

To the Members of

**QUALITY SYNTHETIC INDUSTRIES LIMITED** 

#### Report on the audit of the Financial Statements

We have audited the accompanying financial statements of **QUALITY SYNTHETIC INDUSTRIES LIMITED** which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year ended and 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of subsection (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account .
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer Note 20-B (1) (B)&(C) to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR SENSONS.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 002817N

Sd /-S.K.JAIN M.NO.82843 [PARTNER]

PLACE: Faridabad DATE: 29/05/2019

#### CHARTERED ACCOUNTANTS

Office at: 1278, SECTOR-29, FARIDABAD-121008 PHONE: 0129-4045029, MOBILE-9810346240 E-mail:sensons2@gmail.com

# ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT (Referred to Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, fixed assets are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title deed of immovable property is held in the name of company except note no. 20.6 on notes to the accounts of the Balance-Sheet.
- ii. Company has quoted and unquoted share and securities in inventory and as explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancy was noticed on physical verification.
- iii. The Company has given loan to Four (4) parties covered in the register maintained under Section 189 of the Companies Act, 2013:
  - a. In our opinion and according to the information given to us, the terms and conditions of the loan given by the Company are prima facie, not prejudicial to the interest of the Company.
  - b. The terms of arrangement do not stipulate any repayment schedule and the loan is repayable on demand. However the loan along with interest, if any, has been repaid in full and there are no overdue amounts as at the year-end in respect of both principal and interest.
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.
  - V. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- VI. The Central Government has not prescribed for the maintenance of cost records under sub Section 148(1) of the Companies Act, 2013 in respect of the Company.
- VII. a) According to the records of the company and as per the information and explanations given to us, it has been generally regular in depositing undisputed statutory dues like Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and Other Statutory Dues with the appropriate authorities.
  - b) On the basis of information and explanations given to us, there are no disputed Statutory Dues which have not been deposited with the appropriate authorities. Refer Note No. 21(B)(1)(B) for details of pending disputes for which due has not been deposited except the following:

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The Income tax department has carried out a search and seizer operation on 6th and 7th August 2013, U/S 132 of the Income Tax Act, 1956"(Act)", the Income Tax Department have reassessed the Income from Assessment year ,2008-09, to 2014-15 u/s 143(3) r,w,s, 153A of the Act, and raised the following demands against which appeals have been preferred before the Commissioner of Income Tax Appeals and in the last year CIT-A have given substantial relief and after adjusting the relief allowed by the CIT-A there is no demand payable as on date. However the income tax department preferred appeal against the order of CIT-A before the Income Tax Appellate Tribunal.

Assessment	Tax on	Additional	Interest on	Additional	Amount of Demand	Demand	
Year	Income	assessed	Income	assessed	net of prepaid taxes	Payable	after
	disputed in	n Appeals	disputed in			CIT Order	
			Appeals/Rectification				
2013-14	19,467,00	0	8,176,140		27,643,140	Nil	

No GST has been charged by the Company on sales of Flats as company is not Developer but sold after purchase from the Developer

- VIII. The Company has not defaulted any loan or borrowing from any financial institution, bank, government or debenture holders during the year. Thus paragraph 3(viii) of the order is not applicable.
- IX. The Company did not raise any money by way of initial public offer or further public offer(including debt instrument) and term loans during the year. Thus paragraph 3(ix) of the order is not applicable.
- X. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanation given to us, we have neither come across instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- XI. According to the information and explanations given to us no managerial remuneration has been paid by the Company, therefore compliance with requisite approvals mandated by provisions of Section 197 of Companies Act 2013 are not applicable.
- XII. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, therefore Paragraph 3(xii) regarding the Nidhi Company is not applicable to the unit.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company ,transactions with related parties are in compliance with section 177 and 188 of Companies Act 2013 where applicable and details of such transactions is disclosed in notes to accounts as required by the applicable Accounting Standards.
  - XIV. According to the 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, thus, Paragraph 3(xiv) regarding the preferential allotment or private placement of shares or fully or partly convertible debentures is not applicable to the company.
  - XV. To the best of our knowledge and belief and as per the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with him.
- XVI. Company is in NBFC activities and is Registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR SENSONS

Sd/(S.K.JAIN)

PARTNER

Membership No. 082843
Firm Registration No.002817N

Place: Faridabad Date: 29/05/2019

### CHARTERED ACCOUNTANTS

Office at: 1278, SECTOR-29, FARIDABAD-121008 PHONE: 0129-4045029, MOBILE-9810346240 E-mail:sensons2@gmail.com

### ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

(Referred to Paragraph 2(f) of Report on Other Legal and Regulatory Requirements of our Report of even date)

We have audited the internal financial controls over financial reporting of QUALITY SYNTHETIC INDUSTRIES LIMITED as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and

#### CHARTERED ACCOUNTANTS

Office at: 1278, SECTOR-29, FARIDABAD-121008 PHONE: 0129-4045029, MOBILE-9810346240 E-mail:sensons2@gmail.com

(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.

## **Opinion**

In our opinion, 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 2019, 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.

FOR SENSONS

Sd/(S.K.JAIN)
PARTNER
Membership No. 082843
Firm Registration No.002817N

Place: Faridabad Date: 29/05/2019

QUALITY SYNTHETIC INDUSTRIES LIMITED			
Balance Sheet as at 31st March, 2019			
	NOTES	As at 31.03.2019	As at 31.03.2018
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	1	55,000,000.00	55,000,000.00
(b) Reserves and surplus	2	273,158,017.10	258,557,743.98
Sub-total - Shareholders' funds		328,158,017.10	313,557,743.98
Non-current liabilities			
(a) Long-term borrowings	3	47,416,103.00	22,588,722.00
Sub-total - Non-current liabilities		47,416,103.00	22,588,722.00
Current liabilities			
(a) Trade payables	4	37,485.00	65,295.00
(b) Other current liabilities	5	10,237,385.00	5,940,672.00
(c) Short-term provisions	6	6,504,590.00	2,001,755.00
Sub-total - Current liabilities		16,779,460.00	8,007,722.00
TOTAL - EQUITY AND LIABILITIES		392,353,580.10	344,154,187.98
ASSETS			
Non-current assets			
(a) Fixed assets : Tangible Assets	7	4,066,110.34	4,268,585.79
(b) Non-current investments	8	95,778,483.10	103,328,483.10
(c) Deferred tax assets (net)		440,509.00	440,993.00
(d) Long-term loans and advances	9	189,033,765.00	136,012,054.00
Sub-total - Non-current assets		289,318,867.44	244,050,115.89
Current assets			
(a) Inventories	10	50,210,472.35	56,079,602.00
(b) Cash and cash equivalents	11	40,485,371.32	38,953,923.42
(c) Other current assets	12	12,338,868.99	5,070,546.67
Sub-total - Current assets		103,034,712.66	100,104,072.09
TOTAL - ASSETS		392,353,580.10	344,154,187.98
Significant Accounting Policies and Other Notes	20	-	-
As per our report of even date			
For SENSONS			
FIRM REGN.NO.002817N			
CHARTERED ACCOUNTANTS	Sd/-	Sd/-	-
	(A. K. SUREKA)	(MADHAV SI	•
	MANAGING DIRECTOR		
Sd/-	DIN: 00060206	DIN : 0688	39850
(S.K.JAIN)	<b>.</b>		
PARTNER	Sd/-	Sd/-	
M.NO.082843	(D.K.GUPTA)	(RITU POD	•
Place : New Delhi	CFO	ACS 350	086
DATE: 29.05.2019		COMPANY SEC	CRETARY

QUALITY SYNTHETIC INDUSTRIES LIMITED	2040		
Statement of Profit and Loss for the year ended 31st March	,2019 NOTES	As at	As at
PARTICULARS	NOTES	31.03.2019	31.03.2018
INCOME			
Revenue from operations	13	2,528,286.00	-
Other income	14	42,320,809.40	10,156,197.59
Total Revenue		44,849,095.40	10,156,197.59
Expenses:			
Purchase of Stock-in-Trade	15	43,800.00	-
Changes in inventories of finished goods and Stock-in-Trade	16	5,869,129.65	69,847.00
Employee Benefits Expenses	17	1,695,575.00	1,633,575.00
Finance Cost	18	4,485,428.00	2,238,975.00
Deprecation and amortization expense	6	202,475.45	214,095.07
Other expenses	19	11,765,732.50	2,443,902.32
Total Exp	penses	24,062,140.60	6,600,394.39
Profit before exceptional and extraordinary items and tax		20,786,954.80	3,555,803.20
Profit before tax		20,786,954.80	3,555,803.20
Tax expense:			
(1) Current tax			
Provision for Current Tax		(4,502,835.00)	(915,582.00
MAT Credit available/used		(1,517,662.68) -	1,425,776.00
(2) Deferred tax		(484.00)	(164.00
Profit/(Loss) for the period		14,765,973.12	1,214,281.20
Earning per equity share (Basic & Diluted):		2.68	0.22
Significant Accounting Policies and Other Notes	20		
As per our report of even date			
For SENSONS			
FIRM REGN.NO.002817N			
CHARTERED ACCOUNTANTS	Sd/-	Sd/-	
	(A. K. SUREKA) MANAGING DIRECTOR	(MADHAV SUF	•
Sd/-	DIN: 00060206	DIN: 06889	350
(S.K.JAIN)			
PARTNER	Sd/-	Sd/-	
M.NO.082843	(D.K.GUPTA)	(RITU PODD	AR)
Place : New Delhi	CFO	ACS 3508	•
DATE: 29.05.2019		COMPANY SECF	

OHALL	TV SVN	ITHETIC	INDUSTRIES	LIMITED

NOTES 1 : SHARE CAPITAL	-		-	•
		As at		As at
		31st Mar.2019 Rs.		31st Mar.2018 Rs.
AUTHORISED		1101		110.
5,550,000 (5,550,000) Equity Shares of Rs.10/- each		55,500,000.00	-	55,500,000.00
ISSUED, SUBSCRIBED AND PAID UP				
5,500,000 (5,500,000) Equity Shares of Rs.10/- each fully paid up in Cash		55,000,000.00		55,000,000.0
cach fully paid up in Gash		55,000,000.00	-	55,000,000.0
Share holders holding more than 5% of sharehol	ding			
	31.03	.2019	31.03	
Name of the Share Holders	No. of Shares	% held	No. of Shares	% held
a) Master. Deepanshu Sureka	275,465.00	5.00	275,465.00	5.00
b) Srinarayan Raj Kumar Merchants Ltd.	916,711.00	16.67	857,911.00	15.60
c) Bihariji Ispat Udyog Ltd.	528,353.00	9.61	528,353.00	9.6
d) Bihariji Fancy Fibers & Fabrics Ltd.	282,200.00	5.13	282,200.00	5.13
e) Hemant Ventataamani Lalithraj	278,811.00	5.06	278,811.00	5.06
NOTES A - PEOEDVES AND SUPPLIES				
NOTES 2 : RESERVES AND SURPLUS				
SHARE PREMIUM ACCOUNT		00 047 000 00		00 047 000 0
Balance brought forward		88,917,389.00		88,917,389.00
RBI RESERVE FUND FOR NBFC				
Balance Brought Forward	26,310,409.00		26,070,409.00	
Add: Transferred from Profit & Loss Account	2,950,000.00	29,260,409.00 _	240,000.00	26,310,409.00
RBI RESERVE FUND for NBFC				
(Contingent Provisions against Standard Assets				
Balance Brought Forward	837,000.00	007.000.00	837,000.00	227 222 2
Add: Transferred from Profit & Loss Account	-	837,000.00 _	-	837,000.0

GENERAL RESERVE Balance Brought Forward Add: Transferred from Profit & Loss Account	142,492,945.98 11,650,273.12	154,143,219.10 _	141,766,448.78 726,497.20	142,492,945.98
PROFIT & LOSS ACCOUNT	44 705 070 40		4 040 407 00	
Profit for the Year	14,765,973.12		1,216,497.20	
Adjustments For :				
Income Tax for earlier year	(165,700.00)		(250,000.00)	
Transferred to RBI Reserve Fund for NBFC	(2,950,000.00)		(240,000.00)	
Transferred to General Reserve	(11,650,273.12)	-	(726,497.20)	-
		273,158,017.10	_	258,557,743.98

NOTES 3 : BORROWINGS As at 31st March 2019 As at 31st March 2018

Short Term

Long Term

Short Term

Long Term

### Secured

#### Term Loan from

Term Loan(HLAPVAS00240524) from Indiabulls Hosuing Finance Limited is a joint loan in the name of M/s. Quality Synthetic Industries Ltd. and Shri Vishnu Kumar Sureka, Shri Akhil Sureka and, where Jotindra Steel & Tubes Ltd., is a Co-applicant. The loan is secured by way of equitable mortgage of Property at House No. 1225P, Sector -14 Faridabad, Haryana owned by the company, and also personal guarantee of Mr.Akhil Kumar Sureka, Managing Director & Mr. Vishnu Kumar Sureka, Authorised Signatoy of the Company. Since the loan was disbursed to/and utilised by the co-applicant M/s Jotindra Steel & Tubes Limited, hence, all the transaction related there to have been recorded in the financial statements of the said co- applicant. Balance outstanding as per repayment schedule on 31.03.2019 is Rs.2,75,29,533.36 (Previous year 3,02,67,062.36) and the installments due within the period of next 12 months are Rs.28,76,102.24/ (previous year 25,36,793/-)

During the year the co-applicant, M/s Jotindra Steel & Tubes Limited has taken a joint loan by squaring up the above loan in the name of M/s. Bihariji Ispat Udyog Ltd., Quality Synthetic Industries limited, Mr.Navneet Sureka,Mr.Vishnu Kumar Sureka and Mr. Akhil Kumar Sureka, where M/s. Jotindra Steel & Tubes Limited, is a Co-applicant. The loan is secured by way of equitable mortgage of Property at First Floor, 2nd Portion, Pramukh Plaza, Wing "A" Chakala Road, Chakala, Andheri (East), Mumbai owned by the company, and also personal guarantee of Mr. Navneet Kumar Sureka, Managing Director & Mr.Vishnu Kumar Sureka, Authorised Signatory of the Company. Since the loan was disbursed to/and utilised by the co-applicant M/s Jotindra Steel & Tubes Limited, hence, all the transaction related there to have been recorded in the financial statements of the said co-applicant. Balance outstanding as per repayment schedule on 31.03.2019 is Rs.2,58,62,135 (Previous year Rs.2,78,69,687) and the installments due within the period of next 12 months are Rs.22,32,676/- (previous year Rs.20,07,552)

Unsecured Loans				
From Bodies Corporate-Related Party	46,293,755.00		21,575,773.00	
From Directors	1,122,348.00		1,012,949.00	
	47,416,103.00	- = =	22,588,722.00	
NOTES 4 : TRADE PAYABLE		as at 31-03-2019		as at 31-03-2018
Sundry Creditors		37,485.00		65,295.00
		37,485.00	=	65,295.00
NOTES 5 : OTHER CURRENT LIABILITES		as at 31-03-2019		as at 31-03-2018
Advance from Customers-Related Party		-		-
Advance from Customers-Others Income Tax Deducted at Source		9,600,000.00		5,700,000.00
income Tax Deducted at Source		637,385.00 10,237,385.00	-	240,672.00 <b>5,940,672.00</b>
NOTES 6 : PROVISIONS	As at 31st	March 2019	As at 31st I	
NOTES 6. PROVISIONS	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
For Income Tax	2,001,755.00	4,502,835.00	1,086,173.00	915,582.00
	2,001,755.00	4,502,835.00	1,086,173.00	915,582.00
NOTES 9 : LOANS AND ADVANCES	As at 31st	March 2019	As at 31st I	March 2018
(Unsecured, considered good)	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
Loans -	05 005 000 00		05 005 707 00	
<ul> <li>Considered Good-Related Party</li> <li>Considered Good-Others</li> </ul>	85,825,289.00	-	35,935,727.00 24,622,499.00	-
- Considered Good-Others - Considered Doubtful	26,797,108.00 340,000.00	-	340,000.00	
- Provision for Doubtful Loans	(340,000.00)	-	(340,000.00)	-
- 1 Tovision for Boubtiul Edulis	112,622,397.00	_	60,558,226.00	_
Advances -			,,	
(Recoverable in Cash or in kind or for value to be re	eceived)			
- For Capital Goods	34,387,468.00	-	25,529,928.00	-
- To Related Parties	39,910,000.00	-	47,810,000.00	
- To Others	2,100,000.00 <b>76,397,468.00</b>	<u> </u>	2,100,000.00 <b>75,439,928.00</b>	<u> </u>
Security & Other Deposits	13,900.00	<u> </u>	13,900.00	
	189,033,765.00	-	136,012,054.00	-
NOTES 10: INVENTORIES		as at 31-03-2019		as at 31-03-2018
(As per inventories taken, valued				
and certified by the management)				
Shares & Securities (As per Annexure )		50,210,472.35	<u>-</u>	56,079,602.00
		50,210,472.35		56,079,602.00
NOTES 11 : CASH AND CASH EQUIVALENT		as at 31-03-2019		as at 31-03-2018
Cash Balance in hand: As per books and certified		303,377.79		206,918.79
Balances with Scheduled Banks: In Current Accounts		40,181,993.53		20 747 004 62
in Current Accounts		40,485,371.32	-	38,747,004.63 38,953,923.42
NOTES 12 : OTHER CURRENT ASSETS		as at 31-03-2019		as at 31-03-2018
Sundary Debtors		9,095,661.00		1,724,061.00
Mat Credit Entitlement Income Tax Payments & Tax Deducted at Sources		- 3,243,207.99		1,049,143.67 2,297,342.00
		12,338,868.99		5,070,546.67
		, , ,		-,,

NOTES 42 - DEVENUE FROM OPERATIONS		Year ended		Year ended
NOTES 13 : REVENUE FROM OPERATIONS		31.03.2019		31.03.2018
Sales of Quoted Shares				
Sale of Unquoted Shares		-		<u>-</u>
Convertion of stock into Investments		2,528,286.00		_
	<u>-</u>	2,528,286.00		-
		:		
NOTES 14 : OTHER INCOME		Year ended		Year ended
		31.03.2019		31.03.2018
Interest (Gross)		7,732,205.00		5,393,881.00
Rent Received				
Dividend		1,524,000.00 179,172.40		1,524,000.00 187,987.02
Profit on Sale of Long Term Investments		30,458,000.00		1,405,777.57
Income through VENTURE CAPITAL FUND		00,100,000.00		1,100,111.01
(ASK Real Estate Special Opportuinities Fund)				
	2,299,326.00		1,644,552.00	
- Income Received from Last year	2,429.00			
- Dividend - Short Term Capital Gain	125,677.00	2 427 422 00	-	1 644 552 00
- Short Term Capital Gain	125,677.00	2,427,432.00 42,320,809.40	<del>-</del>	1,644,552.00 10,156,197.59
NOTES 15 : PURCHASE OF STOCK IN TRADE		Year ended 31.03.2019		Year ended
Unquoted Shares				31.03.2018
Oriquoted Shares	-	43,800.00 <b>43,800.00</b>		<u>-</u> _
	-	•		
NOTES 16 : CHANGES IN INVENTORIES OF		Year ended		Year ended
FINISHED GOODS AND STOCK IN TRADE		31.03.2019		31.03.2018
STOCKS AT COMMENCEMENT OF THE YEAR				
Shares & Securities		56,079,602.00		56,149,449.00
STOCKS AT CLOSE OF THE YEAR				
Shares & Securities	=	50,210,472.35		56,079,602.00 (69,847.00)
INCREASE / (DECREASE) IN STOCKS	=	(5,869,129.65)		(09,047.00)
NOTES 17 : EMPLOYEE BENEFIT EXPENSES		Year ended		Year ended
		31.03.2019		31.03.2018
Salary Wages Bonus & Allowances	-	1,695,575.00 <b>1,695,575.00</b>		1,633,575.00 1,633,575.00
	=	1,000,010.00		1,000,070.00
NOTES 18 : FINANACE COST		Year ended		Year ended
Interest Paid		31.03.2019		31.03.2018
To Others	_	4,485,428.00		2,238,975.00
	=	4,485,428.00		2,238,975.00
NOTES 19 : OTHER EXPENSES		Year ended		Year ended
		31.03.2019		31.03.2018
Rent, Rates and Capyoyanaa		163,661.00 3,170.00		451,056.00 7,225.00
Traveling and Conveyance Advertisement and Publicity		18,592.00		7,225.00 14,152.00
Propotionate administrative expenses by Venture Capital Fi	und	444,337.00		415,024.00
Loss on Sale of investments	unu	7,474,500.00		- 10,024.00
Bank Charges		7,094.50		1,799.00
Repairs and Maintenance		107,016.00		279,546.00
Consultancy and Professional Charges		396,200.00		400,977.00
Auditor's Remuneration :		,		, ,
As Audit Fee	24,388.00		24,388.00	
As Tax audit Fees	5,612.00	30,000.00	5,612.00	30,000.00
Rent paid		600,000.00	· <u> </u>	600,000.00
Listing Fees		75,650.00		101,250.00
Director's Meeting Fees		7,750.00		8,250.00
Gst Charges		2,308,583.00		-
Miscellaneous Expenses	_	129,179.00		134,623.32
	=	11,765,732.50		2,443,902.32

## QUALITY SYNTHETIC INDUSTRIES LTD.

CASH FLOW STATEMENT	FOR THE YEAR ENDED	31 <sup>ST</sup> MARCH, 2019	
	,	Year Ended 31st	Year Ended 31st
		March, 2018	March, 2018
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax and extraordinary items		20,786,955	3,555,80
<b>Adjustment for:</b> Depreciation		202.475	214.00
Miscellaneous Expenditure written off		202,475	214,09
Interest received on Trade Deposit		(7,732,205)	(5,393,881
Dividend received		(179,172)	(187,987
Profit on sale of investments		-	(1,130,777.57
Profit on sale of investments		(30,458,000)	(275,000
Interest		4,485,428	2,238,975
Operating Profit before Working Capital Changes		(12,894,519)	(978,772
Adjustments for:		(12,034,313)	(970,772
Trade and other receivables		(60,393,311)	48,185,317
Inventories		5,869,130	69,847
Trade payable		4,268,903	(14,363,936
CASH GENERATED FROM OPERATIONS		(63,149,798)	32,912,456
Interest paid		(4,485,428)	(2,238,975
Direct Tax paid (Net)		(1,580,085)	(990,450
NET CASH FROM OPERATING ACTIVITIES		(69,215,311)	29,683,030
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		30,458,000	275,000
Purchase / Sale of Investments		7,550,000	(1,916,839
Interest Received		7,732,205	5,393,881
Dividend Received		179,172	187,987
NET CASH FLOW FROM / USED IN INVESTING			
ACTIVITIES	_	45,919,377	3,940,029
CASH FLOW FROM FINANCIAL ACTIVITIES			
Borrowings(Net)		24,827,381	3,141,782
NET CASH FLOW from FINANCING ACTIVITIES	<del>_</del>	24,827,381	3,141,782
INCREASE IN CASH OR CASH EQUIVALENTS (A+E	3+C)	1,531,448	36,764,841
Cash and Cash Equivalents as at (Opening Balance)		38,953,924	2,189,083
Cash and Cash Equivalents as at (Closing Balance)		40,485,372	38,953,924
As per our report attached. For SENSONS		0	
FIRM REGN.NO.002817N			
CHARTERED ACCOUNTANTS	Sd/-	Sd	
	(A. K. SUREKA)	(MADHAV	•
0.1/	MANAGING DIRECTO		
Sd/-	DIN: 00060206	DIN : 06	889850
(S.K.JAIN)	0.11	-	
PARTNER	Sd/-	Sd	
M.no. 082843	(D.K.GUPTA)	(RITU PO	•
Place : New Delhi DATE : 29.05.2018	CFO	ACS 3 COMPANY S	

### NOTE - 7 : FIXED ASSETS

		GRO	SS BLOCK			DEPRI	ECIATION WRITT	EN OFF		NET BLOCK		
DESCRIPTION OF ASSETS	AS ON 31.03.2018	ADDITIONS DURING THE YEAR	SALES DURING THE YEAR	AS ON 31.03.2019	UP TO 31.03.2018	FOR THE YEAR	Additional pursuance to company Act 2013	ADJUSTED ON SALES/	UP TO 31.03.2019	AS ON 31.03.2019	AS ON 31.03.2018	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	
LAND	68,600.00	-	-	68,600.00	-			-	-	68,600.00	68,600.00	
OTHER BUILDINGS	309,127.00	-	-	309,127.00	243,460.48	3,391.21		-	246,851.69	62,275.31	65,666.52	
OWNERSHIP FLAT	9,687,390.00	-	-	9,687,390.00	5,572,254.89	199,084.24		-	5,771,339.13	3,916,050.87	4,115,135.11	
FURNITURE & FIXTURES	124,020.12	-	-	124,020.12	122,065.98	-		-	122,065.98	1,954.14	1,954.14	
OFFICE EQUIPMENTS	225,849.60	-	-	225,849.60	220,093.18	-	-	-	220,093.18	5,756.42	5,756.42	
COMPUTERS	241,225.00	-	-	241,225.00	238,500.33		-	-	238,500.33	2,724.67	2,724.67	
INTENGIBLE ASSETS	35,048.00	-	-	35,048.00	33,295.67	-		-	33,295.67	1,752.33	1,752.33	
AIR CONDITIONERS & FANS	112,930.00	-	-	112,930.00	109,872.45	-		-	109,872.45	3,057.55	3,057.55	
VEHICLES	151,780.00	-	-	151,780.00	149,944.68			-	149,944.68	1,835.32	1,835.32	
FIRE FIGHTING EQUIPMENTS	88,000.00	-	-	88,000.00	85,896.27		-	-	85,896.27	2,103.73	2,103.73	
	11,043,969.72	-	-	11,043,969.72	6,775,383.93	202,475.45	-	-	6,977,859.38	4,066,110.34	4,268,585.79	
	(11,043,969.72)		-	(11,043,969.72)	(6,561,288.86)	(214,095.07)	-	-	(6,775,383.93)	4,268,585.79	(4,482,680.86	

#### Note - 8 : INVESTMENTS - LONG TERM (AT COST)

NAME OF THE COMPANY  SHARES AND SECURITIES:- Quoted BIHARIJI ISPAT UDYOG LIMITED  CHAMBAL FERTILIZER LTD ESCORTS LTD GREAT EAST SHIPPING LTD KAMADGIRI FASHION LTD JAI PRAKASH ASSOCIATIES LTD  Unquoted SAROJ METAL WORKS PRIVATE LIMITED AAA STEEL & ENERGY (INDIA) J. LTD. JOTINDRA STEEL & TUBES LTD. MUKAND PREF120123 VEE EM INFO CENTRE PVT. LTD. SKD ESTATES PVT.LTD.  SKD ESTATES PVT.LTD. TAANZ FASHION INDIA PVT.LTD	(Rs.)  10/- 10/- 10/-	( <b>Rs.</b> )	AS ON 31.03.2019 Qty.	AS ON 31.03.2018 Qty.	AS ON 31.03.2019 (Rs.)	AS ON 31.03.2018	QUOTED / UNQUOTE
Quoted BIHARIL ISPAT UDYOG LIMITED  CHAMBAL FERTILIZER LTD  ESCORTS LTD  GREAT EAST SHIPPING LTD  KAMADGIRIF ASHION LTD  JAI PRAKASH ASSOCIATIES LTD  Unquoted  SAROJ METAL WORKS PRIVATE LIMITED  AAA STEEL & ENERGY ( INDIA ) LTD.  JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PYT. LTD.  SKD ESTATES PYT.LTD.  TAANZ FASHION INDIA PYT.LTD	10/- 10/-	10/-					
Quoted BIHARIL ISPAT UDYOG LIMITED  CHAMBAL FERTILIZER LTD  ESCORTS LTD  GREAT EAST SHIPPING LTD  KAMADGIRIF ASHION LTD  JAI PRAKASH ASSOCIATIES LTD  Unquoted  SAROJ METAL WORKS PRIVATE LIMITED  AAA STEEL & ENERGY ( INDIA ) LTD.  JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PYT. LTD.  SKD ESTATES PYT.LTD.  TAANZ FASHION INDIA PYT.LTD	10/- 10/-	10/-	Qty.	Qty.	(Rs.)		
Quoted BIHARIL ISPAT UDYOG LIMITED  CHAMBAL FERTILIZER LTD  ESCORTS LTD  GREAT EAST SHIPPING LTD  KAMADGIRIF ASHION LTD  JAI PRAKASH ASSOCIATIES LTD  Unquoted  SAROJ METAL WORKS PRIVATE LIMITED  AAA STEEL & ENERGY ( INDIA ) LTD.  JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PYT. LTD.  SKD ESTATES PYT.LTD.  TAANZ FASHION INDIA PYT.LTD	10/-					(Rs.)	
BIHARIJI ISPAT UDYOG LIMITED  CHAMBAL FERTILIZER LTD  ESCORTS LTD  GREAT EAST SHIPPING LTD  KAMADGIRI FASHION LTD  JAI PRAKASH ASSOCIATIES LTD  Unquoted  SAROJ METAL WORKS PRIVATE LIMITED  AAA STEEL & ENERGY (INDIA ) LTD.  JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PVT. LTD.  SKD ESTATES PVT.LTD.  TAANZ FASHION INDIA PVT.LTD	10/-						
CHAMBAL FERTILIZER LTD ESCORTS LTD GREAT EAST SHIPPING LTD KAMADGIRI FASHION LTD JAI PRAKASH ASSOCIATIES LTD Unquoted SAROJ METAL WORKS PRIVATE LIMITED AAA STEEL & ENERGY (INDIA ) LTD. JOTINDRA STEEL & TUBES LTD. MUKAND PREF120123 VEE EM INFO CENTRE PVT. LTD. SKOL ESTATES PVT.LTD. TAANZ FASHION INDIA PVT.LTD	10/-						
ESCORTS LTD GREAT EAST SHIPPING LTD KAMADGIRI FASHION LTD JAI PRAKASH ASSOCIATIES LTD  Unquoted SAROJ METAL WORKS PRIVATE LIMITED AAA STEEL & ENERGY ( INDIA ) LTD. JOTINDRA STEEL & TUBES LTD. MUKAND PREF120123 VEE EM INFO CENTRE PVT. LTD. SKOL ESTATES PVT.LTD. TAANZ FASHION INDIA PVT.LTD			524,400	524,400	1,657,300	1,657,300	QUOTED
GREAT EAST SHIPPING LTD  KAMADGIRI FASHION LTD  JAI PRAKASH ASSOCIATIES LTD  Unquoted  SAROJ METAL WORKS PRIVATE LIMITED  AAA STEEL & ENERGY ( INDIA ) LTD.  JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PVT. LTD.  SKD ESTATES PVT.LTD.  TAANZ FASHION INDIA PVT.LTD	10/-	10/-	14,150	14,150	516,450	516,450	QUOTED
KAMADGIRI FASHION LTD  JAI PRAKASH ASSOCIATIES LTD  Unquoted  SAROJ METAL WORKS PRIVATE LIMITED  AAA STEEL & ENERGY ( INDIA ) LTD.  JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PVT. LTD.  SKÓ ESTATES PVT.LTD.  TAANZ FASHION INDIA PVT.LTD		10/-	500	500	57,575	57,575	
JAI PRAKASH ASSOCIATIES LTD  Unquoted  SAROJ METAL WORKS PRIVATE LIMITED  AAA STEEL & ENERGY ( INDIA ) LTD.  JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PVT. LTD.  SKOL ESTATES PVT.LTD.  TAANZ FASHION INDIA PVT.LTD	10/-	10/-	972	972	197,170	197,170	
Unquoted SAROJ METAL WORKS PRIVATE LIMITED AAA STEEL & ENERGY ( INDIA ) LTD. JOTINDRA STEEL & TUBES LTD. MUKAND PREF120123 VEE EM INFO CENTRE PVT. LTD. SKD ESTATES PVT.LTD. TAANZ FASHION INDIA PVT.LTD	10/-	10/-	69,200	69,200	1,648,966	1,648,966	
SAROJ METAL WORKS PRIVATE LIMITED  AAA STEEL & ENERGY ( INDIA ) LTD.  JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PVT. LTD.  SKOL ESTATES PVT.LTD.  TAANZ FASHION INDIA PVT.LTD			15,067	15,067	115,112	115,112	
AAA STEEL & ENERGY ( INDIA ) LTD. JOTINDRA STEEL & TUBES LTD. MUKAND PREF120123 VEE EM INFO CENTRE PVT. LTD. SKD ESTATES PVT.LTD. TAANZ FASHION INDIA PVT.LTD							
JOTINDRA STEEL & TUBES LTD.  MUKAND PREF120123  VEE EM INFO CENTRE PVT. LTD.  SKD ESTATES PVT.LTD.  TAANZ FASHION INDIA PVT.LTD	10/-	10/-	69,400	69,400	694,000	694,000	UNQUOTED
MUKAND PREF120123 VEE EM INFO CENTRE PVT. LTD. SKD ESTATES PVT.LTD. TAANZ FASHION INDIA PVT.LTD	10/-	10/-	20,000	20,000	5,000,000		
VEE EM INFO CENTRE PVT. LTD.  SKD ESTATES PVT.LTD  TAANZ FASHION INDIA PVT.LTD	10/-	10/-	130,208	130,208	12,500,000		UNQUOTED
SKD ESTATES PVT.LTD TAANZ FASHION INDIA PVT.LTD	10/-	10/-	500	500	-	- !	UNQUOTED
TAANZ FASHION INDIA PVT.LTD	10/-	10/-	350,415	350,415	2,888,150	2,888,150	UNQUOTED
	10/-	10/-	17,700	17,700	11,850,000	11,850,000	UNQUOTED
	100/-	100/-	40,000	40,000	4,000,000	4,000,000	UNQUOTED
MODGEN FASHION INDIA PVT.LTD	10/-	10/-	480,000	480,000	4,800,000	4,800,000	UNQUOTED
SYNERGY FRIGHTWAYS PVT.LTD	100/-	100/-	490	490	49,000	49,000	UNQUOTED
ADMIRE HOTELS PVT.LTD	10/-	10/-	18,100	18,100	510,000	510,000	UNQUOTED
BIHARIJI FANCY FIBERS & FABRICS LTD	10/-	10/-	285,400	285,400	606,500	606,500	UNQUOTED
GL LAND & HOUSING PVT.LTD	100/-	100/-	7,000	7,000	700,000	700,000	UNQUOTED
RATTAN INFOTECH PVT.LTD	100/-	100/-	1,500	1,500	150,000	150,000	UNQUOTED
ECO FRIENDLY HOTELS PVT.LTD	10/-	10/-	10,000	10,000	2,994,400	2,994,400	UNQUOTED
V.K. FLATS PVT.LTD	10/-	10/-	28,800	28,800	2,997,750	2,997,750	UNQUOTED
IDEA INTERNATIONAL PVT.LTD	10/-	10/-	41,000	41,000	14,285,630	14,285,630	UNQUOTED
DEEPAK HOTELS PVT.LTD	10/-	10/-	76,000	76,000	7,560,480	7,560,480	UNQUOTED
Puranmal Foods (India) Pvt.Ltd.			-	75,500	-	7,550,000	ĺ
Mutual Funds					i		ĺ
ASK PRAVI PRIVATE OPPORTUNITIES					20,000,000	20,000,000	1
Grand Total			2,200,802	2,276,302	95,778,483	103,328,483	

Book Value of Quoted Investments : Rs. 1,657,300 (2,260,700)

Market Value of Quoted Investments :

## PART OF NOTE - 11 : DETAILS OF STOCK IN TRADE AS AT 31ST MARCH,2019

NAME OF COMPANY	OPENING	STOCK	PUR	CHASES	Sale /T	ransfer to Investme	ents		CLOSING STOCK	
	Nos.	Amount	Nos.	Amount	Shares	Amount of Transfer to	Sales	Changes in carrying amount	Nos.	Amount
A. QUOTED SHARES		•	•		Nos.	Investments	Rs.			
Aravali Sec.& Fin.Ltd.	8,500	68,000		_	_	investments		_	8,500	68,000
Adhunik Synthetic Ltd.	400	400	_		_				400	400
Bihariji Int.Ltd.	16,500	29,358	-		_	-	_	_	16,500	29,358
Global Foods Ltd.	200	1,600	_						200	1,600
Gol Offshore Ltd.	468	4,727	-		-	-	-		468	4,727
IL&Fs Ltd.	101,420	528,398	-	-	-	-	-	-	101,420	528,398
Indo Rama Synthetics (India) Ltd.	4,832	141,336	-	-	-	-	-	(30,683)	4,832	172,019
Infomedia Press Ltd	2,249	6,635	-	-	-		-	(30,063)	2,249	6,635
Mukand Ltd	500	1,000	-	-	-	-	-	U U	500	1,000
Network 18 Media & Investments Ltd	314	11,131	-	-	-	-	-	(346)	314	11,477
		11,131	-	-	-	-	-	(340)		11,477
Stenly Security Ltd	3,500	-	-	-	-	-	-	-	3,500	-
Kothari Products Ltd.	652	98,289	-	-		-		41,858	652	56,431
Kothari Products Ltd.(Bonus)	2,282	-	-	-	-	-	-	-	2,282	-
Orkey Silk Mills Ltd.	99	-	-	-	-	-	-	-	99	-
Reliance Enterprises Ltd.	3	-	-	-	-	-	-	-	3	-
Reliance Industries Ltd.	124	92,752	-	-		-		-	124	92,752
Shree Ram Mills Ltd.	2,000	75,000	-	-		-		-	2,000	75,000
Sri Narayan Rajkumar Merchants Ltd.	25,220	1,612,275	-	-	-	-	-	-	25,220	1,612,275
United Floor Mills Ltd.	12,672	12,672	-	-	-	-	-	-	12,672	12,672
Western Spring India Ltd.	5,000	12,750	-	-	-	-	-	-	5,000	12,750
TOTAL "A"  B UNQUOTED	186,935	2,696,323	-	-	-	-	-	10,830	186,935	2,685,493
SHARES										
l .	40.000	4 454 044	ĺ	Í.		ı ı		1 1	40,000	4 454 044
Bihariji Infotech Pvt.Ltd	40,300	4,451,941	-	-	-	-	-	-	40,300	4,451,941
Modgen Fashions Pvt.Ltd Sureka Tubes Industries Pvt.Ltd.	250,000 17,782	2,532,500 2,000,325	-	-	-	-	-	-	250,000 17,782	2,532,500 2,000,325
Kumardhubi Engineering Works Ltd.	1,090	436	-	-	-	-	-	-	1,090	2,000,325
Magnum Products Pvt. Ltd.	13,938	1,702,109	-		_		-		13,938	1,702,109
Puranmal Foods (India) Pvt.Ltd.	561,500	3,644,135				1			561,500	3,644,135
Bihariji Power Projects Pvt.Ltd	190	19,000	_		-		_		190	19,000
Sarvome Buildwell Pvt.Ltd	1,900	19,000	_	_	_	_	_	_	1,900	19,000
Sarvome Developers Pvt.Ltd	1,900	19,000	_	_	-	_	_	_	1,900	19,000
Sarvome Housing Pvt.Ltd	-	-	900	9,000	-	_	_	_	900	9,000
Bihariji Deveploper Pvt.Ltd	-	-	1,760	17,600	-	-	-	-	1,760	17,600
Bihariji Highrise Pvt.Ltd	-	-	880	8,800	-	-	-	-	880	8,800
Bihariji Properties Pvt.Ltd	-	-	840	8,400	-	-	-	-	840	840
Jst Engineering Services Ltd.	2,401	489,228	-	-	-	-	-	-	2,401	489,228
Three Platninum Softech Pvt.Ltd	1,200,000	11,796,000	-	-	-	-	-	-	1,200,000	11,796,000
IN PMS FUNDS			-	-	-	-	-	-		
AsK Real Estates Special Opportunities Fund	1,900,000	21,709,605	-	-	-	2,528,286	-	-	1,580,000	15,815,065
AsK Pravi Private Estates Equity Opportunities Fund	500,000	5,000,000	-	-	-	-	-	-	500,000	5,000,000
TOTAL"'B"	4,491,001	53,383,279	4,380	43,800		2,528,286	-	-	4,175,381	47,524,979
TOTAL "A"+"B"	4,677,936	56,079,602	4,380	43,800	-	2,528,286		10,830	4,362,316	50,210,472

(20.00)

#### Note: 20 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

#### A SIGNIFICANT ACCOUNTING POLICIES:

#### a) BASIS OF ACCOUNTING:

The accounts of the company have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and applicable accounting standards as adopted consistently by the company. The company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis on going concern concept dividend income is accounted for on receipt basis.

#### b) FIXED ASSETS:

Fixed assets are stated at cost less depreciation.

#### c) DEPRECIATION:

Depreciation on fixed assets have been provided on written down method at the rates & basis , prescribed in Schedule II to the Companies Act, 2013.

#### (d) INVESTMENTS:

Investments are stated at cost.

#### (e) VALUATION OF INVENTORIES:

Lower of cost or net realisable value

#### (f) FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currency has been translated into Indian Rupees at the exchange rates prevailing at the date of transaction, any variation in receipt or payment has been adjusted in exchange gain/loss account, Liabilities outstanding as at year end are converted into the Indian Rupees at year end exchange rates.

#### (g) CONTINGENT LIABILITIES:

Disputed liabilities including claims by Taxation Authorities pending in appeals are treated as Contingent liabilities and are shown by way of notes.

#### (h) RETIREMENT BENEFITS

Contributions are made to Recognised Provident Fund, Employees State Insurance Schemes and charged to revenue accounts, other benefits like Gratuity are not applicable to the Company as none of the employees has completed 5 years of continuous service.

#### (i) TAX ON INCOME:

Tax expenses for the relevant period comprises of current tax and deferred tax. Deferred Tax is recognized, subject to consideration of prudence, on all timing difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. The accumulated deferred tax liability is adjusted by applying the tax rates and tax laws applicable at the year-end.

#### B OTHER NOTES ON ACCOUNTS

#### CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

A. Claims against the Company not acknowledged as debts.

Amount Unascertained

(Amount Unascertained)

- i Corporate guarantees issued in favour of Loan obtained by Group Company M/s. Jotindra Steel & Tubes Limited Rs.301,00,000 (Rs.301,00,000)
- ii Corporate guarantees issued in favour of Loan obtained by Group Company M/s. Jotindra Steel & Tubes Limited Rs.350,00,000 (Rs.350,00,000)
- B. The Income tax department has carried out a search and seizer operation on 6th and 7 th August 2013, U/S 132 of the Income Tax Act, 1956"(Act)", the Income Tax Department have reassessed the Income from Assessment year ,2008-09, to 2014-15 u/s 143(3) r,w,s, 153A of the Act, and raised the following demands against which appeals have been preferred before the Commissioner of Income Tax Appeals and in the last year CIT-A have given substantial relief and after adjusting the relief allowed by the CIT-A there is no demand payable as on date. However the income tax department preferred appeal against the order of CIT-A before the Income Tax Appeallate Tribunal.

Assessment Year	Tax on Additional Income assessed disputed in Appeals	Interest on Additional Income assessed disputed in Appeals/Rectification	Amount of Demand net of prepaid taxes	Demand Payable after CIT Order
2013-14	19.467.000	8,176,140	27.643.140	Nil

- C No Gst has been charged by the Company on sales of Flats as company is not Developer but sold after purchase from the Developer
- 2 All investments are long-term investments and have been valued at cost. The market value of quoted investments in certain shares has eroded due to the prevailing depressed market conditions, being temporary in nature, therefore, no provision has been made in the Books of Accounts.
- 3 Estimated value of capital commitments remaining to be executed and not provided for Rs. 343.87 Lacs(Rs.255.30 Lacs) advance paid against the same Rs.343.87 Lacs(Rs.255.30 Lacs).
- 4 In the opinion of the management, current assets, loans and advances will have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The balances of sundry debtors, sundry creditors and loans and advances are however, subject to confirmations and adjustments, if any. Moreover loan given to certain parties have been sqaured off during the year by making journal entries on the basis of letter from borrower
- 5 (i) The Contingent Provision against Standard Assets @ 0.40% as per Notification No-DNBR.PD.CC.No.002 / 03.10.001 / 2014-15 issued by RBI, made in earlier year is sufficient to meet the requirement as per the notification, hence no more provision is made during the year.
- 5 (ii) The company has exceeded the exposure norms prescribed by the Reserve Bank of India, for Loans and advances and /or investments and borrowings, which has been due to clerical oversight and brought to notice after the close of the Previous financial year,
- 6 One ownership flat each at Mumbai, Delhi & Kolkata and building are yet to be registered in the name of the Company.
- 7 Security deposit include Kisan Vikas Patra of Rs.5000/- deposited with sales Tax Department.
- 8 In the opinion of the management, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The balances of Sundry Debtors, Sundry Creditors and Loans and Advances are however, subject to confirmations and adjustments, if any.

The provision for deferred tax Liability / (Assets) has been made for adjustment for timing difference as detailed here under:-

Particulars	as on 01.04.2018	Adjustment for the year	as on 31.03.2019
Depreciation	(1,573.00)	(484.00)	(2,057.00)
Unabsorbed Losses	442,566.00	-	442,566.00
Total	440,993.00	(484.00)	440,509.00

10 Earning per share : -

Particulars	Current year	Previous year
Net Profit as per Profit & Loss Account (Rs.)	14,765,973	1,214,281
Average No. of Equity Shares during the year	5,500,000	5,500,000
Earning per share in Rupees	2.68	0.22

Comparative figures for the previous year have been re-grouped, re-cast and re-arranged wherever necessary and figures in brackets represent previous year figures.

#### RELATED PARTY DISCLOSURE (AS IDENTIFIED BY THE MANAGEMENT), AS REQUIRED BY ACCOUNTING STANDARD 'AS-18' ARE GIVEN BELOW:

## i) LIST OF RELATED PARTY:

(a)	Where control exists:-		
(i)	Jotindra Steel & Tubes Ltd.	(xiv)	Vaishnodevi Properties Pvt. Ltd.
(ii)	Bihariji Ispat Udyog Limited	(xv)	V.K. Flats Pvt. Ltd.
(iii)	Srinarayan Raj Kumar Merchants Ltd.	(xvi)	Taanz Fashion India Pvt.Ltd
(iv)	Mauria Udyog Limited	(xvii)	Bihariji Fancy Fibers & Fabrics Ltd.
(v)	J.S.T. Engineering Services Ltd.	(xviii)	Bhama Properties (P) Ltd.
(vi)	Saroj Metal Works Private Ltd.	(ixx)	Udayanchal Leasing Exports (P) Ltd.
(vii)	Chakra Exports (P) Ltd.	(xx)	Puranmal Foods India (P) Ltd.
(viii)	Ram Forgings Pvt. Ltd.	(xxi)	Vee Emm Infotecenter Pvt. Ltd.
(ix)	SSKS Estates Private Limited	(xxii)	Bihariji Land & Housing Pvt.Ltd
(x)	V L Estates (P) Ltd.	(xxiii)	SKD Estates Pvt. Ltd.
(xi)	Aakshi Exports (P) Ltd.	(xxiv)	Deepak Hotels (P) Ltd.
(xii)	Sri Narayan Steel Industries Pvt. Ltd.	(xxv)	SSKS BUILD WELL Pvt. Ltd.
(xiii)	Sureka Tube Industries Pvt. Ltd.	(xxvi)	VBM Estates Pvt. Ltd

(b) **Key Management Personnel** A.K. Sureka (Managing Director)

D.K. Gupta (CFO)

Anand Gupta Madhav Sureka Archit Kataruka Jaspreet Kaur Sujata Kumar

(with whom transaction have taken place during the year). Master Deepanshu Sureka (c) Relative of key Management Personnel

Prem Lata Surekha

(d) Other related parties

ii) TRANSACTION WITH RELATED PARTIES

TYPE OF RELATED	DESCRIPTION OF THE TRANSACTION	VOLUME OF TRAN	SACTIONS	AMOUNT OUTSTANDING RECEIVABLE/ (PAYABLE)		
PARTY		2018-19	2017-18	Current Year	Previous Year	
	Interest Received net of tds	4,964,562	3,021,902	-	-	
	Interest Paid net of tds	3,927,487	1,962,333	-	-	
	Rent Received\ Rreceivable	1,524,000	1,524,000	3,095,661	1	
	Loan Taken	79,362,295	10,950,000	(42,518,397)	(21,575,773)	
	Loan Taken Repaid	58,571,800	10,623,295	_	-	
	Loan and advance given	63,045,000	10,635,241	125,735,289	85,469,788	
	Loan given Received back	26,120,000	10,010,482	-	-	
	Reimbursements	-	-	-	-	
	Investment in shares	-	7,550,000	-	-	
	Payment of Statutory due on behalf of related party	-	-		-	
	Reimbursements received for payment of statutory dues paid by us on behalf of related party	-	-		-	
	Payment of statutory due on our behalf by related party	-	-			
	Reimbursement of Statutory Dues Paid by related party	-	-			
	Advances Given	-	-	-	-	
	Advances given Received back	-	-	-	-	
	Sale of Shares	-	-		-	
	Purchase of Shares	0	755,000		1	
Key Management	Director Sitting Fee	7,750	8,250		-	
Personnel	Loan Taken	-	-	(1,122,348)	(160,205	
	Loan Taken Repaid	-	-			
	Remuneration	769,975	766,015		-	
	Interest Paid net of tds	109,399	12,004		-	
Relative of Key	Purchase of Shares	-	-		-	
Management	Rent Paid	600,000	600,000			
Personnel	Reimbursements	_	-		-	
	Loan Taken	-	-		-	
	Loan Taken Repaid	-	-		-	
Other Related Parties	Nil	_	_	_	_	

Parties NOTE: In respect of above parties, there is no provision for doubtful debts As on 31st March, 2019 and no amount has been written off or written back during the year in respect of debts due from them.

<sup>2</sup> Out of above certain transaction requires approval from members and Central Government, which is yet to be taken.

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Quantitative Details.										
NAME OF	UNITS	OPENIN	і в этоскя	PUR	CHASES	SALES / Transfe	rred to Investment	CLOSING S	тоскѕ	
TRADED	Oitiio	0.10	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
		QUANTITI	Rs.	QUANTITI	Rs.	QUANTITI	Rs.		Rs.	
SHARES &	Nos.	4,677,936	56,079,602	4,380	43,800	-	2,528,286	4,362,316	50,210,472	
SECURITIE	1403.	(5,416,432)	(97,161,187)	(21,161)	(7,501,692)	(759,657)	(48,930,062)	(4,677,936)	(56,149,449)	

	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
(II)	C. I. F. Value of Imports	Nil	(Nil)
(III)	F. O. B. Value of Exports	Nil	(Nil)
(IV)	Earning in Foreign Exchange	Nil	(Nil)
(V)	Expenditure in Foreign Currency	Nil	(Nil)
(VI)	Remittance on account of Dividend in Foreign Currency	Nil	(Nil)

As per our report of even date For SENSONS FIRM REGN.NO.002817N Chartered Accountants

Sd/-

(S.K.JAIN)
PARTNER
M.No. 082843
Place: New Delhi
DATE: 29.05.2019

Sd/-(A. K. SUREKA)
MANAGING DIRECTOR Sd/-(MADHAV SUREKA) DIRECTOR

Sd/-(RITU PODDAR) ACS 35086 COMPANY SECRETARY

(D.K.GUPTA) CFO

## Form No. MGT- 12

## **Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Quality Synthetic Industries Limited Registered Office: Room No107, 1st Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata -700 001.(West Bengal).								
CIN: L65929WB1975PLC029956								
C.N.		ALLOT	PAPER	D.4.9.				
S No	Particulars  Name of the first named Shareholder (In Block			Details				
1	Letters)							
2	Postal address							
3	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)							
4	Class of Share	Equity	Shares of Rs. 10/- each					
	I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:							
S No	Item No.		No. of Shares held by me	I assent to the resolution	I dissent from the resolution			
ORD	ORDINARY BUSINESS							
1.	To adopt the Audited Financial Statements f	for the						
	financial year ended 31st March, 2019 to	gether						
	with the Reports of the Board of Director	s and						
	Auditors thereon.							
2.	To appoint a Director in place of Shri	Akhil						
	Kumar Sureka (DIN: 00060206), who retin	res by						
	rotation and, being eligible, offers himself t	for re-						
	appointment							
SPEC	CIAL BUSINESS				ı			
1	To appoint Shri Rannveer Singh Rishi	(DIN:						
	08253892) as an Independent Director	(Non-						
	Executive) for one term of five years							
2	To approve entering into Transactions	with						
	Related Parties u/s 188 of the Companies	s Act,						
	2013.							
Place:								
Date:	Date: (Signature of the shareholder)							

#### NOTES/INSTRUCTIONS

### For Members opting for e-voting

The Company is pleased to announce that it is offering remote e-voting facility as an alternate, for Members to enable them to cast their vote electronically instead of voting at the venue of AGM through physical ballots. For the procedure to be followed for remote e-voting by Members, kindly refer to Notes 13 of the Notice dated Wednesday, September 04, 2019.

Last date for remote e-voting is the close of working hours (05:00 P.M.) on Sunday, 29th September, 2019

#### For Members opting to vote by Physical Ballot

A shareholder desiring to exercise his/her vote by physical ballot are required to be physically present at the venue of the AGM and can give his/her assent or dissent in the ballot paper attached herewith the Notice of AGM. At the time of physical voting at the venue of the AGM, the ballot paper shall be duly filled and completed and be dropped in the ballot box kept at the AGM venue. Company has appointed a scrutinizer for confirming that the voting through physical ballot paper is being done in a fair and transparent manner. Shareholder can send proxy as well instead of attending the AGM personally and the proxy can vote on his/her behalf. Proxy can vote only after submitting duly filled and signed Proxy Forms. Shareholder/Proxy are requested to bring alongwith them, the attendance slip, Proxy Form (only in case Proxy attends meeting) and his/her copy of Annual Report and Notice.

Voting rights shall be reckoned on the number of shares registered in the name of members as on Monday, 23<sup>rd</sup> September, 2019.

Kindly note that the members can opt only one mode for voting i.e. either by Physical Ballot at the venue of AGM or Remote E-Voting. If you are opting for remote e-voting, then do not vote by Physical Ballot also and vice versa. However, in case member(s) cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail.

The results declared alongwith Scrutinizer's Report, shall be placed on the Company's Web-site <a href="www.qualitysyntheticfibre.com">www.qualitysyntheticfibre.com</a> and on the web-site of the CDSL within two days of the passing of the Resolutions at AGM of the Company held on Monday, 30<sup>th</sup> September, 2019 and communicated to the MSEI & CSE where the shares of the company are listed

# **QUALITY SYNTHETIC INDUSTRIES LIMITED**

CIN - L65929WB1975PLC029956

## **Proxy Form (Form No. MGT-11)**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)

Nar	ne o	of the Member(s)							
Reg	Registered Address:								
E-n	ail	1 Id:							
Foli	o N	No./Client Id:							
DP	ID:	):							
I/We	, be	being the member(s) of and holdingshares of the above named company, hereby	appoint						
	1.	Name: of (Address) having Email	Id:						
		Signature:, or failing him							
	2.	Name:	Id:						
		Signature:, or failing him							
	3.	Name:	Id:						
		Signature:, or failing him							
	h n	I-700020 and at any adjournment thereof in respect of such resolutions as are indicated below: my above Proxy to vote in the manner as indicated in the box below:  Resolution(s)		For	Against				
No.									
		NARY BUSINESSES:							
1.		To adopt the Audited Financial Statements for the financial year ended 31 <sup>st</sup> Marc together with the Reports of the Board of Directors and Auditors thereon.	ch, 2019						
2.	ro	To appoint a Director in place of Shri Akhil Kumar Sureka (DIN: 00060206), who rotation and, being eligible, offers himself for re- appointment	etires by						
SPE	CIA	IAL BUSINESSES:							
1		To appoint Shri Rannveer Singh Rishi (DIN: 08253892) as an Independent Direct Executive) for one term of five years	tor(Non-						
2		To approve entering into Transactions with Related Parties u/s 188 of the Compar 2013.	nies Act,						
_		ure of shareholder							
sign	cu I	thisday of2019.			Affix Revenue Stamp				

Signature of first proxy holder

signature of second proxy holder

signature of third proxy holder

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. It is optional to indicate your preference. If you leave the "For" or "Against" column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

# **QUALITY SYNTHETIC INDUSTRIES LIMITED**

CIN - L65929WB1975PLC029956

## **Attendance Slip**

Please fill attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 44 <sup>th</sup> Annual General Meeting held at BRIDDHI 8 Kolkata, West Bengal-700020 on Monday, 30 <sup>th</sup> September, 2019 at 04:30 P.M.	82A, Shambhunath Pandit Street, 2 <sup>nd</sup> Floor,
Member's/proxy's Name	-
Member's/proxy's Signature	_
No. of Shares:	
Folio No./DP Id No*./ Client Id Number*	<del></del>
*Applicable for investors holding shares in electronic form.	
(FOR INSTRUCTION SEE AS UNDE	ER)

### **NOTES:**

- 1. Shareholders/Proxy holders are requested to bring the admission slips with them when they come to the meeting and hand them over at the gate after affixing their signatures on them.
- 2. Shareholders intending to require any information to be explained in the meeting are requested to inform the company at least 7 days in advance of their intention to do so, so that the papers relating thereto may be made available if the Chairman permits such information to be furnished.
- 3. Shareholders are requested to advise indicating their account numbers, the change in their address, if any to the company.
- 4. Shareholders are requested to bring their copies of the Annual Report to the venue of the AGM.

## ROUTE MAP OF THE VENUE OF THE 44TH AGM OF THE QUALITY SYNTHETIC INDUSTRIES LTD.

