

**45<sup>TH</sup>**

**ANNUAL REPORT  
2019-2020**

***QUALITY SYNTHETIC INDUSTRIES LIMITED***  
***(CIN: L65929WB1975PLC029956)***

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<b>BOARD OF DIRECTORS</b>	<b>SHRI A.K.SUREKA</b>	<b>DIN: 00060206</b>	<b>MANAGING DIRECTOR</b>
	<b>SHRI ANAND GUPTA</b>	<b>DIN: 00024458</b>	<b>DIRECTOR</b>
	<b>SHRI MADHAV SUREKA</b>	<b>DIN: 06889850</b>	<b>DIRECTOR</b>
	<b>SMT. SUJATA KUMAR</b>	<b>DIN: 01310030</b>	<b>DIRECTOR</b>
	<b>SH.RANNVEER SINGH RISHI</b>	<b>DIN: 08253892</b>	<b>Director</b>
<b>COMPANY SECRETARY</b>	<b>SMT. RITU PODDAR</b> <b>ACS-35086</b>		
<b>STATUTORY AUDITOR</b>	<b>SENSONS</b> <b>CHARTERED ACCOUNTANTS</b> <b>House No.-667, SECTOR- 28, FARIDABAD-121002.</b>		
<b>SECRETARIAL AUDITOR</b>	<b>JYOTI ARYA &amp; ASSOCIATES</b> <b>K-009, DDA LIG FLATS, POCKET-C,</b> <b>MOLARBAND, NEW DELHI-110076</b>		
<b>PRINCIPAL BANKERS</b>	<b>ICICI BANK LIMITED</b> <b>HDFC BANK LIMITED</b>		
<b>REGISTERED OFFICE</b>	<b>ROOM NO. 107, ANAND JYOTI BUILDING,</b> <b>1<sup>st</sup> FLOOR, 41, NETAJI SUBHAS ROAD,</b> <b>KOLKATA, WEST BENGAL -700001</b>		
<b>ADMINISTRATIVE OFFICE</b>	<b>602, CHIRANJIV TOWER, 43, NEHRU</b> <b>PLACE, NEW DELHI-110019</b>		
<b>REGISTRAR &amp; TRANSFER AGENTS</b>	<b>M/S. BEETAL FINANCIAL &amp; COMPUTER</b> <b>SERVICES (P) LTD.,</b> <b>BEETAL HOUSE,99, MADANGIR,</b> <b>BEHIND LOCAL, SHOPPING CENTRE,</b> <b>NEAR DADA HARSUKH DASS MANDIR,</b> <b>NEW DELHI – 110062</b>		
<b>SHARES LISTED AT</b>	<b>METROPOLITAN STOCK EXCHANGE</b> <b>OF INDIA LTD.(MCX-SX))</b> <b>CALCUTTA STOCK EXCHANGE LTD.</b>		

**NOTICE**

Notice is hereby given that the 45<sup>th</sup> Annual General Meeting of the Members of Quality Synthetic Industries Limited will be held on Monday, 28<sup>th</sup> September 2020 at 02:00 P.M. at the Registered Office of the Company, Room No. 107, 1<sup>st</sup> Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700 001 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, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anand Kumar Gupta (DIN: 00024458), who retires by rotation and, being eligible, offers himself for re- appointment.
3. To appoint M/s Charanjit Singh & Associates, Chartered Accountants (FRN:015328N), Mohali as the Statutory Auditors in place of M/s SENSONS.

“**RESOLVED THAT** pursuant to Section 139, 141 and 142 of Companies Act, 2013 (the “Act”) read with Companies (Audit and Auditors) Rules, 2014 and any other provisions applicable (including any statutory modification(s) or re-enactments thereof for the time being in force), M/s Charanjit Singh & Associates, Chartered Accountants (FRN:015328N), Mohali be and is hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of this 45<sup>th</sup> Annual General Meeting till the conclusion of 50<sup>th</sup> (Fiftieth) Annual General Meeting to be held in the year 2025, at a remuneration of Rs. 30,000/- ( Rupees Thirty Thousand only) per annum.

**SPECIAL BUSINESSES:**

4. To approve the re-appointment of Shri Akhil Kumar Sureka (DIN: 00060206) as the Managing Director of the Company wef. 01<sup>st</sup> August, 2020 for a period of five years 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 provisions of section 196, 203 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any amendment thereto or re-enactment thereof), the reappointment of Shri Akhil Kumar Sureka (DIN:00060206) as the Managing Director of the Company w.e.f. 01<sup>st</sup> August, 2020 for a period of five years , who desired to render honourable services to the company hence dispensing with his claim to charge any remuneration therefor, as made by the Board of Directors, be and is hereby considered and approved.”

5. 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,

2020 upto a maximum amount per annum as specified herein below:

<b>MAXIMUM VALUE OF CONTRACT/ TRANSACTION (PER ANNUM) WEF 1<sup>ST</sup> APRIL, 2020</b>					
<b>₹ in Crores</b>					
<b>Transactions defined u/s 188(1) of the Companies Act,2013</b>					
Name of the related parties and name of the Directors or Key Managerial Personnel who is related, if any alongwith nature of their relationship :	Sale, purchase or supply of any goods material	Selling or otherwise disposing of or buying property of any kind	Leasing of property of any kind	Availing or rendering of any services ; Appointment of any agent for purchase or sale of goods; materials, services or property ,corporate Guarantee etc.	Others
<b>COMPANIES</b>					
Mauria Udyog Ltd.	20	20	05	20	10
Bihariji Ispat Udyog Ltd.	10	10	10	10	10
Sri Narayan Rajkumar Merchants Ltd.	01	01	01	01	05
Eurospa Terry Towels Pvt. Ltd	0.50	0.50	0.50	0.50	01
Jotindra Steel & Tubes Ltd.	02	02	02	02	05
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	02
Vee Em Infocentre Pvt. Limited	0.50	0.50	0.50	0.50	01
JST Engineering Services Ltd.	0.25	0.25	0.25	0.25	01
Deepak Hotels Pvt. Limited	0.25	0.25	0.25	0.25	01
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
<b>TRUST SOCIETY/FIRMS/ LLP/JOINT VENTUR/SUBSIDIARIES</b>	01	01	01	01	05
<b>Directors/KMPS/Relatives of directors/ other firms and companies in which directors have interest as per section 2(76) of the Companies Act, 2013</b>	5	5	2	2	05
<b>Note:</b> 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.”

**6.** To approve Limits of Borrowing in conformity with section 180(1) (c) 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 **Special Resolution**:

“ Resolved that the consent of the Company be and is hereby accorded to the Board of Directors of the Company and /or any committee thereof, under Section 180 (1) (c) and any other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or enactments thereof for the time being in force), to borrow any sum or sums of money from time to time at their discretion, for the purpose of business of the Company, notwithstanding that the money or moneys to be borrowed together with moneys already borrowed by the Company, apart from temporary loans obtained from the Company’s bankers in the ordinary course of business , may exceed the aggregate of the paid-up share capital and free reserve of the company that is to say, reserves not set apart for any specific purpose, provided however, that the total amount so borrowed shall not exceed the sum of ₹ 100 Crores ( ₹ Hundred Crores ) only at any one time.”

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 03, 2020.

**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, 21<sup>st</sup> September, 2020 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 Tuesday, 22<sup>th</sup> September, 2020 to Monday, the 28<sup>th</sup> September, 2020 (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](http://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](mailto: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.

13. 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 Ms. Jyoti Arya, ACS of M/s Jyoti Arya & Co, Practicing Company Secretaries having Membership No- A-48050 & COP-17651, New Delhi 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, 21<sup>st</sup> September, 2020.
- g. Members are requested to carefully read the instructions for remote e-voting before casting their vote.
- h. 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:

COMMENCEMENT OF E-VOTING	END OF E-VOTING
<b>Friday, 25<sup>th</sup> September, 2020 at 10.00 A.M</b>	<b>Sunday, 27<sup>th</sup> September, 2020 at 5.00 P.M.</b>

- 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, 21<sup>st</sup> September, 2020, 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, 25<sup>th</sup> September, 2020 at 10.00 A.M** and ends on **Sunday, 27<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 21<sup>st</sup> September, 2020 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 [www.evotingindia.com](http://www.evotingindia.com).
- (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 or  
 Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically
- (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 [www.evotingindia.com](http://www.evotingindia.com) 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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (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](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [biharujispat@gmail.com](mailto:biharujispat@gmail.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East),

Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

(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 [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

If any member has any problem/ query regarding e-voting then he may contact 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
E-mail id	:	<a href="mailto:beetalrta@gmail.com">beetalrta@gmail.com</a>
Phone No.	:	011-29961281(6 Lines)

- i. The e-voting module shall be disabled by CDSL for voting after Sunday, 27<sup>th</sup> September, 2020 (After 05.00 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.21<sup>st</sup> September, 2020.
  - 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 28<sup>th</sup> of September, 2020.
- l. 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 web-site [www.qualitysyntheticfibre.com](http://www.qualitysyntheticfibre.com) and on the web-site of CDSL [www.evotingindia.com](http://www.evotingindia.com) 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 2020 convening the 45<sup>th</sup> Annual General Meeting)

**Item No. 3**

**ORDINARY BUSINESS:**

The Members of the Company at the 42<sup>nd</sup> Annual General Meeting (‘AGM’) held on 12<sup>th</sup> September, 2017 had approved the appointment of M/s SENSONS, Chartered Accountants, as the Auditors of the Company for a period of 5 (five) years from the conclusion of the said AGM. M/s SENSONS has tendered their resignation as the Statutory Auditors of the Company vide their letter dt. 11<sup>th</sup> August, 2020. The present remuneration of M/s SENSONS for conducting the audit for financial year 2019-20, as approved by the Members, is Rs.30,000 (Rupees Thousand only) plus goods and service tax as applicable.

Reason for Resignation: Due to pre-occupation in other professional assignments, M/s SENSONS are not in a position to devote further time to the affairs of the company.

The Board of Directors of the Company (‘the Board’), on recommendation of the Audit Committee (‘the Committee’), recommended for the approval of the Members, the appointment of M/s Charanjit Singh & Associates, Chartered Accountants (FRN:015328N), Mohali, as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of this 45<sup>th</sup> AGM till the conclusion of the 50<sup>th</sup> (Fiftieth) AGM. On recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of Rupees 30,000/ (Thirty-Thousand only) plus goods and service tax as applicable.

The Committee considered various parameters like capability to serve in a diverse and complex business landscape, audit experience in the Company’s operating segments, exposure to non-banking financial company, market standing of the firm, clientele served, technical knowledge etc., and found M/s Charanjit Singh & Associates, Chartered Accountants (FRN:015328N), Mohali To be well suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s Charanjit Singh & Associates, Chartered Accountants (FRN:105328N), Mohali have given their consent to act as the Auditors of the Company and have confirmed the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board therefore, recommends the Resolution under reference for the approval of shareholders.

**SPECIAL BUSINESS**

**Item No. 4**

**Ordinary Resolution**

The Board of Directors of the Company, pursuant to the provisions of section 196 and 203 of the Companies Act, 2013 (“Act”) & Rules made thereunder, and the Articles of Association of the

Company, appointed Shri A. K Sureka (DIN: 00060206) the Managing Director of the Company with effect from 01<sup>st</sup> of August, 2020 for a period of five years who desired to render honourable services to the company hence dispensing with his claim to charge any remuneration therefore, subject to the approval of the shareholders in their forthcoming general meeting.

Shri A. K. Sureka was last appointed as the Managing Director w.e.f. 01<sup>st</sup> August, 2015 on the terms approved by the members in their 40<sup>th</sup> Annual General Meeting for a period of five years. He is acting as Managing director since 01-12-2003.

Nature of expertise in specific functional area- Shri A.K. Sureka has over 22 years of rich experience in Steel Industry apart from excellence in overall management. Reach experience of over 16 years for running & managing this company (NBFC) as MD.

Further details of Shri A.K. Sureka have been provided in the Annexure attached with this notice.

The Board of Directors considers that that in view of the background and experience of Shri A.K. Sureka it would be in the interest of the Company to appoint him as the Managing Director of the Company.

Except Shri A.K. Sureka since the resolution relates to him, no other director or Key managerial personnel or their relatives is interested or concerned in the proposed special resolution no. 1 referred to above.

The Board therefore, recommends the Resolution under reference for the approval of shareholders.

#### **Item No. 5**

##### **Ordinary Resolution:**

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 2020-21 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. 02 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 special resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

#### **Item No. 6**

##### **Special Resolution**

In terms of the provisions of section 180(1)(c) of the Companies Act, 2013, the consent of the members by a special resolution is necessary to borrow moneys in excess of the aggregate of the paid up share capital and free reserve of the company, apart from temporary loans obtained from the Company's bankers in the ordinary course of business. As required by provisions of section 180(1) (c) of the Companies Act, 2013

and keeping in view the Company's business requirements and its growth plans, it is considered desirable to fix the said limit to ₹ 100 ( Hundred ) Crores only .

**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: 03<sup>rd</sup> September 2020.

**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:**

<b>Name of Directors</b>	<b>SHRI A. K. SUREKA</b>	<b>SHRI ANAND KUMAR GUPTA</b>
DIN	00060206	00024458
Date of Birth	08-09-1978	08/05/1955
Date of First Appointment	01-12-2003	01/03/1979
Qualification	Graduate	Graduation
Expertise in specific functional area	22 Years working experience in Steel Industry. Having reach experience of over16 years for running & managing this company(NBFC) as MD.	He is in business having more than 50 years' working experience in Steel Industry
Relation with other Directors	Not Related to any of Directors of the company	Not Related to any of Directors the company
List of other public companies in which directorship held (including foreign Companies)	- Jotindra Steel & Tubes Ltd.	Dhakalia Investments Ltd
Chairman/ Member of the Committee of Board of Directors of other public Companies	<u>Jotindra Steel &amp; Tubes Ltd</u> -Audit Committee -Stakeholders Relationship Co.  <u>Quality Synthetic Industries Ltd.</u> -Audit Committee	<u>Quality Synthetic Industries Ltd.</u> -Stakeholders Relationship Committee  -Nomination & Remuneration Committee
Shareholding in the Company	8300 Equity shares of Rs. 10/ each(As on 31.03.2019)	-

Your Directors have the pleasure in presenting the 45<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2020.

**FINANCIAL RESULTS:**

The Financial Results for the year ended 31<sup>st</sup> March, 2020 are as under:-

	<b>(RS. in lacs)</b>	
<b>PARTICULARS</b>	<b>2019-20</b>	<b>2018-19</b>
Gross Sales & Other Income	240.26	448.49
Gross Profit/(Loss) before Finance Cost, Depreciation & Taxes	250.13	254.74
Less: Finance Cost	24.06	44.85
Less: Depreciation	1.93	2.02
<b>Profit Before Tax</b>	<b>224.14</b>	<b>207.87</b>
Provision for Tax	(4.90)	(45.03)
MAT Credit Entitlement	(2.65)	(15.18)
Deferred Tax	7.74	-
<b>Profit for the year</b>	<b>16.30</b>	<b>147.66</b>
Other Comprehensive Income	(55..54)	507.64
Less: Provision for Tax on Other Comprehensive Income		
Total Comprehensive Income	(23.79)	514.08
<b>Earning per equity share (Basic &amp; Diluted)</b>	<b>(0.18)</b>	<b>3.86</b>

**PERFORMANCE REVIEW:**

For the financial year under review the company has incurred a net loss of Rs. 23, 78,515/- as against net profit Rs 5,14,07,709/- in previous year. Performance of the company is mainly affected because of loss in business activities.

**TRANSITION TO INDIAN ACCOUNTING STANDARDS**

The Company has prepared financial statements for the year ended March 31, 2020, in accordance with IndAS for the first time. The Company has adopted Ind AS notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2019 and the effective date of transition is April 1, 2018.

**FUTURE OUTLOOK:**

Your directors are optimistic of better performance in turnover and profits during 2020-21 compared to previous year.

**DIVIDEND & RESERVES:**

In view of the losses, no dividend is recommended for the year under review.

**SHARE CAPITAL:**

The paid up equity share capital as on 31<sup>st</sup> March 2020 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, 2020.

**RELATED PARTY TRANSACTIONS:**

A detailed report on contracts and arrangements made during the year 2019-20, 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. 15 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:**

**Ten Meetings** of the Board of Directors were held during the financial year 2019-2020 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 13/02/2020.

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).

### **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 2019-20.

**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 Anand Kumar Gupta (DIN: 00024458), 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 Anand Kumar Gupta as a Director of the Company liable to retire by rotation.

Shri A.K. Sureka has been re-appointed by the Board of Directors as the Managing Director of the Company who would be liable to retire by rotation with effect from 01<sup>st</sup> August 2020, for a fresh period of Five years upto July 31, 2025 and who has desired to render honourable services to the company hence dispensing with his claim to charge any remuneration. 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 the Managing Director of the Company liable to retire by rotation.

Mr. Akhil Kumar Sureka is not related to any other directors and disclosures required pursuant to regulation 36(3) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 about the director proposed to be re- appointed/ appointed is annexed to Notice.

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**

The details of committees of directors, their constitution , number of meetings held during 2019-20 and members present and attended those meetings are given under corporate governance section attached herewith

**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.

**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 2019-2020, 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 2019-2020, no complaints were received by the Company related to sexual harassment and hence no complaint is pending as on 31.03.2020 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 14.10.2019 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, has ordered Mg. Director & Father & brother of the Mg. Director of the company to deposit a sum of Rs.167 Crores in the Registry of the Court on or before 30.11.2019. Since the amount has not been deposited only the details of Properties have been submitted , the case is still pending before Hon'ble, Supreme Court of India. However a specific liability of Rs. 8.86 Crores have been determined against the Company by the Forensic Auditor & confirmed by the Hon'ble Supreme Court of India, against which provisions of Rs. 86 Lacs has been made in the Books of accounts for the year ended 31.3.2020.

**Impact of Covid-19:** A nation-wide lockdown was declared by the Government of India wef March 24, 2020 due to out-break of Covid-19 pandemic, which was extended in phases upto May 31, 2020. This pandemic has resulted in significant decrease in economic activities across all the sectors including that of our company. The Company has considered the possible effects that may result from the COVID- 19 pandemic on the carrying value of property, plant and equipment, inventories, receivables and other assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statement has used internal and external sources of information and concluded that no adjustments are required to the financial results. Given the dynamic nature of pandemic the Company will continue to monitor the developing scenario for any material changes

**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 M/s M.P.Chand & Co, Chartered Accountants, Faridabad (FRN: 007649N) to conduct Internal Audit during the year 2019-20.

#### **STATUTORY AUDITORS:**

The Board of Directors, on the recommendations of Audit Committee has proposed the appointment of M/s Charanjit Singh & Associates, Chartered Accountants (FRN:015328N), Mohali as the Statutory Auditors of the Company subject to approval of shareholders of the Company in the ensuing 45<sup>th</sup> Annual General Meeting of the Company, on resignation of current statutory auditors M/s SENSONS, Chartered Accountants, Faridabad who have tendered their resignation-letter dated 11<sup>th</sup> August, 2020 to the Company before the completion of their term of audit-period of five years due to paucity of time.

For the reporting period 2019-2020. M/s. SENSONS, Chartered Accountants, Faridabad with Firm Registration Number 002817N is the auditor of the Company.

#### **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 2019-20 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 2019-20. The Secretarial Audit Report as per Section 204 of the Act for FY 2019-20 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 of Securities listed on Stock Exchanges	Profitability of the company is dependent on fluctuating trend of the market of securities listed on Stock Exchange.	By diversifying the portfolio so as to minimize the impact of wide fluctuations in market prices of securities.
Compliance risk.	Any default can attract heavy penal provisions.	By regularly monitoring and reviewing of changes in the regulatory framework and timely compliance thereof.
Interest Rate-risk.	Any increase in interest rate can affect the finance cost.	Dependence on debt is minimum and we 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. Nil

**B. TECHNOLOGY ABSORPTION**

Disclosure of particulars with respect to Technology Absorption NA

**(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:- NA

**1. Expenditure on R&D: -NA-**

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

(Rs. in Lacs)

	2019 – 20	2018 – 19
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 therefore the 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**  
SD/- SD/-  
**AKHIL KUMAR SUREKA**                      **MADHAV SUREKA**  
(Managing Director)                      (Director)  
**DIN-00060206**                              **DIN-0689850**

**Registered Office:**

Room No. 107, 1<sup>st</sup> Floor,  
Anand Jyoti Building, 41,  
Netaji Subhas Road, Kolkata – 700001  
CIN:L65929WB1975PLC029956  
**Date: 03<sup>rd</sup> September, 2020**

## **REPORT ON CORPORATE GOVERNANCE**

### **1. The Company's Philosophy on 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.

### **2. Board of Directors**

(i) Composition: -

The Board of Directors comprises of three Directors as under: -

<b>S.No.</b>	<b>Name of Director</b>	<b>Brief Particulars</b>	<b>Category</b>
<b>Promoter Group</b>			
1.	Shri A. K. Sureka	He is in business having 22 years' working experience in Steel Industry and joined the Board as Promoter Director wef. 1st December, 2003.	Managing Director
2.	Shri Anand Gupta	He is in business having 52 years' working experience in Steel Industry and joined the Board as a Promoter Director w.e.f. 1st March, 1979.	Non-executive
<b>Independent</b>			
3.	Shri Madhav Sureka	He is an Industrialist having 16 years' experience of Steel Industry. He joined the Board as an Independent director w.e.f. 13 <sup>th</sup> June, 2014	Non-executive
4.	Smt. Sujata Kumar	She is in service having 17 years experience in software industry, She joined the Board as an Independent Director w.e.f. 12 <sup>th</sup> August, 2014	Non-executive

5.	4. Shri Rannveer Singh Rishi	He is in business having experience of around 06 years in the field of steel industry. He joined the Board as an independent director wef 25 <sup>th</sup> February, 2019	Non-executive
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**(ii) Board Meetings and attendance: -**

Ten Board Meetings were held during the financial year ended on 31<sup>st</sup> March, 2015 and the gap between two Board Meetings did not exceed four months. The dates on which Board meetings were held are as follows: -

S.No.	Date of Meeting	Board Strength	No. Of Directors Present
01.	15-04-2019	5	03
02.	29-05-2019	5	04
03.	02-08-2019	5	02
04.	04-09-2019	5	04
05.	12-09-2019	5	04
06.	11-10-2019	5	03
07.	04-11-2019	5	04
08.	13-11-2019	5	05
09.	10-01-2020	5	03
10.	13-02-2020	5	04

**(iii) Attendance of each Director at the Board meetings and last Annual General Meeting (AGM) and the number of Companies and committees where he is Director/Member:-**

S N o .	Name of Director	Category of Directorship	Number of Board Meetings Attended	Attendance at the Last AGM held on 29.09.2018	Number of Directorships in other public Co.	Number of committee positions held in other Companies(Audit/ Stakeholder Committees)
1	Shri A.K. Sureka	Executive	11	Yes	2	1
2	Smt. Veena Aggarwal	Non-Executive	03	No	1	2
3	Shri. Dheeraj Arora	Non-Executive	11	Yes	1	3



4	Shri Rannveer Singh Rishi	Non-Executive	9	No	4	6
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**Other Directorships**

S No.	Name of the Director	Names of the Public Companies where the person is a director	Category of directorship
1	Shri A.K. Sureka	Jotindra Steel & Tubes Ltd.	Promoter Director-Executive
2	Shri Anand Kumar Gupta	Dhakalia Investment Ltd.	Promoter Director- Non-Executive
3	Smt. Sujata Kumar	Mauria Udyog Ltd.	Independent-Non-Executive
4	Shri Madhav Sureka	Sri Narayan Rajkumar Merchants Ltd.	Independent-Non-Executive
5	Shri Rannveer Singh Rishi	1. Mauria Udyog Ltd.	Independent-Non-Executive
		2. Jotindra Steel & Tubes Ltd.	Independent-Non-Executive
		3. Quality Synthetic Industries Ltd.	Independent-Non-Executive
		4. Sri Narayan Rajkumar Merchants Ltd.	Independent-Non-Executive

➤ **Chart setting out the skills/expertise/competence of the Board of Directors:-**

Core skills/expertise/ competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively	Those actually available with the board
<ol style="list-style-type: none"> <li>1. Ability to understand Financial Markets</li> <li>2. Ability to understand Regulatory/Statutory framework applicable to the Company</li> <li>3. Quick decision making</li> <li>4. Understanding of Company's business</li> <li>5. Experience in developing policies and processes relating to corporate governance</li> <li>6. Leaderships skills for guiding the management team</li> <li>7. Ability to formulate long term and short term business strategies</li> <li>8. Ability to understand Financial Statements</li> </ol>	As per the Board, all these skills/expertise/ competencies are available with the Board

➤ **Confirmation by the Board regarding Independent Directors**

The Board of Directors do hereby confirm that in the opinion of the board, the independent directors fulfill the conditions specified in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and are independent of the management.

**COMMITTEES OF THE BOARD OF DIRECTORS:**

**3. 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, 2020 consisted of three directors, namely Shri Madhav Sureka (Non-executive Independent director), Smt. Sujata Kumar

**QUALITY SYNTHETIC INDUSTRIES LIMITED****45<sup>th</sup> AGM**

(CIN: L65929WB1975PLC029956)

(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 five Meetings during the financial year 2019-20 ended on 31<sup>st</sup> March, 2020 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 2019-20:-

<b>Name of Director</b>	<b>15.04.2019</b>	<b>29.05.2019</b>	<b>04.09.2019</b>	<b>12.09.2019</b>	<b>13.11.2019</b>	<b>13.02.2020</b>
Shri Madhav Sureka	Yes	Yes	Yes	Yes	Yes	Yes
Shri A.K. Sureka	Yes	Yes	Yes	Yes	Yes	Yes
*Smt. Sujata Kumar	No	Yes	Yes	Yes	Yes	No

**4. 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 and Sh. Rannveer Singh Rishi as members. Constitution of the Nomination and Remuneration Committee as at March 31, 2020 is given below along with meetings held and attendance thereat:

<b>Name of Director</b>	<b>Category</b>
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

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.

As there was no change in directors and key managerial personnel during the year 2019-2020, Nomination and Remuneration Committee did not meet.

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.
- **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 a 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 to 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 2019-20 ended on 31<sup>st</sup> March, 2020

Sitting fees paid to Directors for meetings of the Board/Committee:-

	Rs.
Shri A.K. Sureka	2500/-
Shri Anand Gupta	500/-
Shri. Madhav Sureka	2500/-
Smt. Sujata Kumar	1250/-
Sh. Rannveer Singh Rishi**	2250
<b>Total</b>	<b>9000/-</b>

- **Service contracts**, notice period, severance fees- N.A.
- **Number of shares and convertible instruments** held by non-executive directors. - Nil

**5 STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC):**

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 2019-20 the Stakeholders Committee met four times and provided status updates to the Board of directors of the company.

Attendance of Directors at the SRC Meetings held during the financial year 2019-20:-

<b>Name of Director</b>	<b>10.04.2019</b>	<b>04.09.2019</b>	<b>02.10.2019</b>	<b>13.01.2020</b>
Shri Madhav Sureka	Yes	Yes	Yes	Yes
Shri Anand Kumar Gupta	No	No	Yes	No
Smt. Sujata Kumar	Yes	Yes	Yes	Yes

Status of Share-transfer/ Shareholder's complaint during the year 2019-20

Number of pending transfers	Nil
Number of Shareholders' Complaints received	Nil
Number of Complaints	Nil
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.

### **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 2019-2020, no such report were

## **6. Code of Conduct for the Directors & Senior Managerial Personnel**

In compliance to the provisions of Clause 49 of the Listing Agreement, the Board has laid down a code of conduct for all the Board Members and Senior Managerial Personnel and all Board Members and Senior Managerial Personnel have affirmed compliance of code of conduct as on 31<sup>st</sup> March, 2014 and a declaration to that effect duly signed by the Managing Director is attached and forms part of this report.

## **7. Details of Prospectus & letter of offer**

No Prospectus & letter of offer for issuances and related filings were made to the stock exchange where it is listed.

## **8. General Body Meetings**

Details of location and time of holding of last three Annual General Meetings:

<b>AGM for the Financial Year Ended</b>	<b>Venue</b>	<b>Date</b>	<b>Time</b>
2016-2017 42 <sup>nd</sup> AGM	Room No. 107, 1 <sup>st</sup> Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700001	12-09-2017	12:30 PM

2017-2018 43 <sup>rd</sup> AGM	BRIDDHI, 82-A, Shambhunath Pandit Street, 2 <sup>nd</sup> Floor, Kolkata(WB)-700020	28-09-2018	04:30 PM
2018-2019 44 <sup>th</sup> AGM	BRIDDHI, 82-A, Shambhunath Pandit Street, 2 <sup>nd</sup> Floor, Kolkata(WB)-700020	30-09-2019	4:30 PM

## 9. Details of Directors seeking Appointment/Reappointment in the ensuing Annual

### General Meeting to be held on 28<sup>th</sup> September, 2020.

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 by member in the ensuing AGM have been furnished in the Notice calling the ensuing AGM.

## 10. Disclosure

### (a) Materially Significant related party transactions

- i Transactions with related parties have been disclosed in Notes of the Annual Accounts for the year 2019-20.
- ii The terms & conditions of the above mentioned transactions are not prejudicial to the interest of the Company and there is no transaction of material nature. The closing balances of such related parties, wherever outstanding, are not overdue.

### (b) Details of non-compliance by the company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There was no instance of penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority as well as non-compliance of any matter related to the Capital Markets during the last three years.

## 11. Means of Communication

The quarterly and yearly results are published in English in widely circulating “The Financial Express” and in Bengali in “Arthik Lipi” from Kolkata.

## 12. General Shareholder information

AGM : Date, time and venue

45<sup>th</sup> AGM to be held on Monday, 28<sup>th</sup> September, 2020 at 2:00 P.M. at Room No.107, 1<sup>st</sup> Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700001

- Financial Calendar (Tentative)

Results for quarter ending June 30, 2020 15<sup>th</sup> September, 2020

Results for quarter ending September 30, 2020 14<sup>th</sup> November, 2020

Results for quarter ending December 31, 2020 14<sup>th</sup> February, 2021

Audited Results for the entire Financial Year ending March 31, 2021 30<sup>th</sup> May, 2021

- Date of Book closure Tuesday, the 22<sup>nd</sup> September, 2020 to Monday, the 28<sup>th</sup> September, 2020 (both days inclusive)

Stock Code – Physical 27005 on Calcutta Stock Exchange  
Stock Symbol- QUALITY-MSEI  
Demat ISIN Number for NSDL and CDSL INE062F01011

High/Low of Market price of the Company's Year shares traded on the Stock Exchange during share the financial year ended 31<sup>st</sup> March, 2020

The shares have not been traded during the Financial 2019-20. The last quoted price was of Rs.134.70 per as per the transaction on Calcutta Stock Exchange on 31.03.2006.

- Registrar & Transfer Agents M/s Beetal Financial & Computer Services Pvt. Ltd. BEETAL HOUSE", 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062.  
Phone No. 011-29961281-82  
Fax No. 011-29961284
- Share Transfer System All the transfers received are processed by the Registrar and Share Transfer Agent. Share Transfers are registered and returned within maximum of 15 days from the date of lodgement if documents are complete in all respect. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

Shareholding pattern as on 31.03.2020

Category	Nos. of Shares	Percentage
Promoters	23,55,529	42.83
Persons acting in concert	-	-
Mutual Funds & UTI	-	-
Banks, Financial Institution & Insurance Companies	-	-
FII's	-	-
Private Corporate Bodies	9,02,650	16.41
Indian Public	22,41,821	40.76

NRIs/OCBs	-	-
<b>Total</b>	<b>55,00,000</b>	<b>100.00</b>

• **Distribution of shareholding as on 31<sup>st</sup> March, 2020**

SHARE HOLDING OF NOMINAL VALUE OF RS. 10	NUMBER OF SHAREHOLDERS	% TO TOTAL	NO OF SHARES	AMT IN RS	% TO TOTAL
UP TO 5000	164	51.41	1637	16370.00	0.0298
5001 TO 10000	6	1.88	5000	50000.00	0.0909
10001 TO 20000	8	2.50	14500	145000.00	0.2636
20001 TO 30000	12	3.76	35050	350500.00	0.6373
30001 TO 40000	9	2.82	34042	340420.00	0.6189
40001 TO 50000	12	3.76	57584	575840.00	1.0470
50001 TO 100000	26	8.15	200650	2006500.00	3.6482
100001 AND ABOVE	82	25.70	5151537	51515370.00	93.6643
<b>TOTAL---&gt;&gt;&gt;</b>	<b>319</b>	<b>100.00</b>	<b>5500000</b>	<b>55000000.00</b>	<b>100.0000</b>

- **Details of Compliance With Mandatory Requirements Of SEBI (LODR) Regulations, 2015:** The Company has complied with all the mandatory requirements of the Listing Regulations including compliances mentioned in Part A to Part D of Schedule II.
- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Information in this regard is nil as no funds were raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) during the year under review.
- **A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority –Certificate Obtained & Attached herewith.**
- **Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance –Certificate obtained & Attached herewith**

(e) **Total Fees For All Services Paid By The Listed Entity And Its Subsidiaries, On A Consolidated Basis, To The Statutory Auditor And All Entities In The Network Firm/Network Entity Of Which The Statutory Auditor Is A Part -**

The required information for the Financial Year 2019-20 is given as under:-



Fees paid to the Auditors

<b>Name of the Company</b>	<b>Fees paid for Audit (Including Tax Audit) (Rs.)</b>	<b>Fees paid for other services (Rs.)</b>
Quality Synthetic Industries Ltd.	30,000	NA

Fees paid to the all entities in the network firm/network entity of which the statutory auditor is a part

<b>Name of the Company</b>	<b>Fees paid for Audit</b>	<b>Fees paid for other services</b>
NA	NA	NA

(f) **Disclosures In Relation To The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013:-**

- a. Number of complaints filed during the financial year - **NIL**
- b. Number of complaints disposed off during the financial year - **NIL**
- c. Number of complaints pending as on end of the financial year – **NIL**

**Disclosures With Respect To Demat Suspense Account/ Unclaimed Suspense Account:**

There is no demat suspense account/ unclaimed suspense account of the Company because such a requirement never got necessitated in relation to the shares of the Company. As such, the information in this regard is Nil.

**15. Declaration of Managing Director**

The Code of Conduct for the Directors and the Senior Managerial Personnel was adopted by the Board of Directors. All the Board Members and Senior Managerial Personnel have affirmed that they have complied with the code of conduct during the financial year ended on 31<sup>st</sup> March, 2020.

**SD/-**  
**A .K. Sureka**  
**Managing Director**  
**DIN No.- 00060206**  
**New Delhi**  
**Dated : 03<sup>th</sup> September, 2020**



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) FII's			-	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%
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	905600	50	905,650	16.47%	902600	50	902,650	16.41%	-0.06%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	165450	15837	181,287	3.30%	172892	8787	181,679	3.31%	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1232167	787067	2,019,234	36.71%	1761404	151738	1,913,142	34.78%	-1.92%
c) Others (specify)	147000		147,000		147000		147,000	2.67%	
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%
<b>Sub-total (B)(2):-</b>	2,450,217	802,954	3,253,171	59.15%	2,983,896	160,575	3,144,471	57.17%	-1.98%
<b>Total Public (B)</b>	2,450,217	802,954	3,253,171	59.15%	2,983,896	160,575	3,144,471	57.17%	-1.98%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00%				0.00%	0.00%
<b>Grand Total (A+B+C)</b>	4,697,046	802,954	5,500,000	100.00%	5,230,725	269,275	5,500,000	100.00%	0.00%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
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	282200	5.13%	0	390900	7.11%	0	1.98%
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	857911	15.60%	0	857911	15.60%	0	0.00%
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 beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			282,200	5.13%	282,200	5.13%
	Changes during the year						
	Bihariji Fancy Fibers & Fabrics Ltd		purchase	108,700	1.98%	108,700	
	At the end of the year			390,900	7.11%	390,900	7.11%

**(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	MAHAVIR PRASAD						
	At the beginning of the year			129,879	2.36%	129,879	2.36%
	Changes during the year	28-06-219	Transfer	100	0.00%	100	0.00%
	At the end of the year			129,879	2.36%	129,879	2.36%
5	JAGDISH SINGH						
	At the beginning of the year			128,050	2.33%	128,050	2.33%
	Changes during the year				0.00%		0.00%
	At the end of the year			128,050	2.33%	128,050	2.33%
6	PRAMOD KUMAR AGARWAL (HUF)						
	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%
7	MERU FINANCE PRIVATE LTD.						
	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%
8	BALRAM YADAV						
	At the beginning of the year			90,000	1.64%	60,000	1.09%
	Changes during the year				0.00%		0.00%
	At the end of the year			90,000	1.64%	60,000	1.09%
9	MADAN LAL AGARWAL						
	At the beginning of the year			78,910	1.43%	78,910	1.43%
	Changes during the year	5/4/2019	Transfer	2,750	0.05%	2,750	0.05%
	At the end of the year			81,660	1.48%	81,660	1.48%
10	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%

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	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	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%

**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
<b>Indebtedness at the beginning of the financial year</b>				

i) Principal Amount		47,416,103.00		47,416,103.00
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	-	47,416,103.00	-	47,416,103.00
<b>Change in Indebtedness during the financial year</b>				
* Addition		109,399.00		109,399.00
* Reduction		23,028,286.00		23,028,286.00
Net Change	-	23,137,685.00	-	23,137,685.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount		24,497,216.00		24,497,216.00
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	-	24,497,216.00	-	24,497,216.00

## 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 Amount
		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			-
4	Commission			-
	- as % of profit			-
	- others, specify	2,500.00		2,500.00
5	Others, please specify			-
	Total (A)	2,500.00		2,500.00
	Ceiling as per the Act			

### B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Rannveer Singh Rishi	Anand Gupta	Madhav Sureka	Sujata Kumar		
							(Rs)
1	Independent Directors						
	Fee for attending board committee meetings	2,250.00		2,500.00	1,250.00		6,000.00
	Commission						-
	Others, please specify						-
	Total (1)	2,250.00		2,500.00	1,250.00		6,000.00
2	Other Non-Executive Directors						-
	Fee for attending board committee meetings						-
	Commission						-
	Others, please specify(sitting-fee)		500.00				500.00
	Total (2)	-	500.00				500.00
	Total (B)=(1+2)	2,250.00	500.00	2,500.00	1,250.00		6,500.00
	Total Managerial Remuneration		500.00	2,500.00	1,250.00		6,500.00
	Overall Ceiling as per the Act						

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
-----	-----------------------------	----------------------------------	--------------

	Name	NA	DAVINDER KUMAR GUPTA	RITU PODDAR	(Rs)
	Designation	CEO	CFO	CS	
1	Gross salary		682,332.00	184,000.00	866,332.00
	(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				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	682,332.00	184,000.00	866,332.00

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty				Pl. refer Directors Report	
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

FOR QUALITY SYNTHETIC INDUSTRIES LIMITED

SD/-

AKHIL KUMAR SUREKA

DIRECTOR

DIN:00060206

SD/-

MADHAV SUREKA

DIRECTOR

DIN: 06889850

DATE:03/09/2020

PLACE:NEW DELHI

**QUALITY SYNTHETICS INDUSTRIES LTD.**

**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 2019-20 not at Arm's length basis:**

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
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 2019-20 at Arm's length basis:**

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
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



**QUALITY SYNTHETICS INDUSTRIES LTD.**

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

Annexure-IV

(i)	The Ratio of the Remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-2019	<b>Director's Name</b>	<b>Ratio to median remuneration</b>			
		Mr. Akhil Kumar Sureka,MD	NIL			
		Mr. Anand Kumar Gupta, Director	NIL			
(ii)	The Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager if any in the financial year 2018-19 compare to 2017-18 means part of the year	<b>Director's/CFO/CEO/CS/ Manager Name</b>	<b>%age increase in remuneration</b>			
		Mr. Akhil Kumar Sureka,MD	NIL			
		Mr. Anand Kumar Gupta, Director	NIL			
		Mr. Devinder Kumar Gupta, CFO	-11.39%			
		Mrs. Ritu Poddar,Company Secretary	27.78%			
(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	<b>As on 31.03.2020</b>	<b>As on 31.03.2019</b>			
		5	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	<b>NOT APPLICABLE</b>				
(vii)	Variation in	<b>Details</b>	<b>31.03.2020</b>	<b>31.03.2019</b>		
		Market Capitalization	NA	NA		
		Price Earning Ratio	NA	NA		
		Percentage Increase/decrease of market quotations	NA	NA		
		Net Worth of the Company	NA	NA		
(viii)	Average Percentile increase in salaries of Employees other than managerial	<b>During 2019-20</b>	<b>During 2018-19</b>			
		-12.02%	9.16%			
		Justification for increase with reasons for any exceptional circumstances	Normal industry standards applied based on increase in turnover			
(ix)	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company	<b>Name of Key Managerial Personnel</b>	<b>Remuneration for the years ended</b>		<b>Reason against performance of the company</b>	
			<b>31.03.2019</b>	<b>31.03.2018</b>	<b>% change</b>	
		Mr. Akhil Kumar Sureka,WTD	NIL	NIL	-	-
		Mr. Anand Kumar Gupta, Director	NIL	NIL	-	-
		Mr. Devinder Kumar Gupta, CFO	682332	757115	-9.88%	-
		Mrs. Ritu Poddar,Company Secretary	184,000	144,000	27.78%	-
(x)	Key Paramater for any variable component of remuneration availed by the Directors	<b>NA</b>				
(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 highest paid director during the year	<b>NIL</b>				

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.



Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2020

*[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, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31<sup>st</sup> March, 2020 according to the provisions of:

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



(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (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. Equal Remuneration Act, 1976;
3. The Maternity Benefit Act, 1961;
4. 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 no change in the composition of the Board of Directors during the period under review.

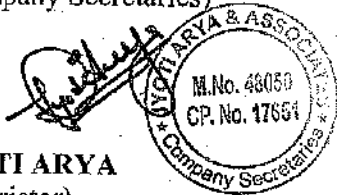
Adequate notice is given to all directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting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



**JYOTI ARYA**

(Proprietor)

Membership No.-A48050

COP No.-17651

UDIN: ~~A048050B000615760~~ A048050B000640389

Date: 26/08/2020 31/08/2020

Place: New Delhi

**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)

**JYOTI ARYA**

(Proprietor)

Membership No.-A48050

COP No.-17651

UDIN: A048050B000615760- A048050B000640389

Date: 26/08/2020 31/08/2020

Place: New Delhi



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

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

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/S QUALITY SYNTHETICS INDUSTRIES LTD having CIN L65929WB1975PLC029956 and having registered office at Anand Jyoti Building, 41, Netaji Subhash Road, Room No.107, 1st Floor, Kolkata -700001 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Directors	DIN	Date of Appointment
1	Akhil Kumar Sureka	00060206	01/12/2003
2	Anand Kumar Gupta	00024458	01/03/1979
3	Sujata Kumar	01310030	12/08/2014
4	Madhav Sureka	06889850	13/06/2014
5	Rannveer Singh Rishi	08253892	25/02/2019

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

**FOR JYOTI ARYA & ASSOCIATES***(Company Secretaries)***JYOTI ARYA***(Proprietor)*

Membership No.-A48050

COP No.-17651

UDIN: A048050B000640884

Date: 01/09/2020

Place: New Delhi

**K-009, DDA LIG FLATS, POCKET-C, MOLARBAND, NEW DELHI-110076****PHONE NO. +91-9541237622 ~E-MAIL- [csjyotlarya@gmail.com](mailto:csjyotlarya@gmail.com)**



**CERTIFICATE ON CORPORATE GOVERNANCE**

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

We have examined the compliance of conditions of Corporate Governance by M/S Quality Synthetics Industries Ltd ("the Company"), for the year ended on March 31, 2020, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 01, 2019 to March 31, 2020.

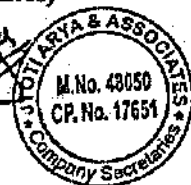
The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor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

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as mentioned in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR JYOTI ARYA & ASSOCIATES**  
(Company Secretaries)

**JYOTI ARYA**  
(Proprietor)  
Membership No.-A48050  
COP No.-17651  
UDIN: A048050B000640939  
Date: 01/09/2020  
Place: New Delhi



INDEPENDENT AUDITOR'S REPORT

To the Members of  
**QUALITY SYNTHETIC INDUSTRIES LIMITED**

**Report on the audit of the Ind AS Financial Statements**  
**Opinion**

We have audited the accompanying Ind AS financial statements of QUALITY SYNTHETIC INDUSTRIES LIMITED which comprise the Balance Sheet as at 31 March 2020, 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 Ind AS 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, including Indian Accounting Standard ("Ind AS") specified under section 133 of the Companies Act, 2013 of the state of affairs (financial position) of the Company as at March 31, 2020, and profit/loss, and its cash flows, and notes thereon 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.

**Key Audit Matters**

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

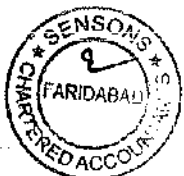
Key Audit Matters	How our Audit addressed the Key /audit Matters
Significant material orders passed by regulators/ court Hon'ble Supreme Court of India, vide its order dt 14.10.2019 in the case titled Bikram Chatterji & Ors (Petitioner's) vs Union Of India & Ors. (Respondent).	We obtained details of demands relating to aforesaid order of Hon'ble Supreme Court of India, dt 14.10.2019 which has dealt with financial transaction of Amrapali Group of Companies with various companies including Sureka Group of Companies and has ordered Mg. Director & Father & brother of the Mg. Director of the company to deposit a sum of Rs.167 Crores in the Registry of the Court on or before 30.11.2019. Since the amount has not been deposited only the details of properties have been submitted, the case is still pending before Hon'ble, Supreme Court of India, till this date. However a specific liability of Rs. 8.86 Crores have been determined by the Forensic Auditors & confirmed by the Hon'ble Supreme Court of India, provisions of which, has not been made in the Books of accounts for the year ended 31.3.2020. The effect of above if any has not been taken in the financial statement for the year ended 31.03.2020.
Income Tax Return of the company for the AY 2019-20	Income Tax Return of the company for the AY 2019-20 has not been filed till date and tax thereof amounting to Rs.5,22,240 has not been paid alongwith interest till date
Loans / Advances	Loans & Advances of Rs.30.95 Lacs has been written -off during the year for which no correspondence has been shown to us.
Loans / Advances	No agreement for Loans & advances given / taken shown to us & therefore the basis for such transactions are not verifiable

**Information other than the Financial Statements and Auditor's Report thereon**

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

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

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





**Responsibilities of management and Those Charged with Governance for the Standalone Financial Statements.**

The Company's Board of Director is responsible for the matters stated in Section 134(5) of The Companies Act, 2013 ("The Act"), with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), Loss (financial performance) (Including Other Comprehensive Income) and changes in the Equity and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015, as amended. This responsibility also includes the 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 judgment 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 operation, or has no realistic alternative but to do so.

The Board of Directors of the Company are also responsible for overseeing the financial reporting process of the Company

**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 preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

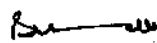


**Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls 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 22 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

  
S.K. JAIN  
M.NO.82843  
[PARTNER]



PLACE: Faridabad  
DATE : 29/07/2020.

**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report to the Members of Quality Synthetic Industries Limited ("The Company") for the year ended March 31<sup>st</sup>, 2020)**

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. 22.2(ii) 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:



# SENSONS

## CHARTERED ACCOUNTANTS

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- 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

*(Signature)*

(S.K.JAIN)

PARTNER

Membership No. 082843

Firm Registration No.002817N

UDIN:20082843AAAADC7031

Place: Faridabad

Date: 29/07/2020

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT of even date to the Members of Quality Synthetic Industries Limited on the Ind AS Financial statement for the year ended 31<sup>st</sup> March, 2020**

**Independent Auditor's report on the Internal Financial Controls under clause(i) of Sub-section 3 of Section 143 of The Companies Act,2013 (The " Act")**

We have audited the internal financial controls over financial reporting of QUALITY SYNTHETIC INDUSTRIES LIMITED as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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)



# SENSONS

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pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



FOR SENSONS

(S.K.JAIN)

PARTNER

Membership No. 082843

Firm Registration No.002817N

Place: Faridabad

Date: 29/07/2020

**QUALITY SYNTHETIC INDUSTRIES LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2020**

	Notes	As at 31 MARCH,2020 (Rs.)	As at 31st March,2019 (Rs.)	As at 1st April,2018 (Rs.)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant & Equipment	1	3,873,442.14	4,066,110.34	4,268,585.79
Intangible Assets	1	-	-	-
Capital Work in Progress	1	-	-	-
<b>Financial Assets:</b>				
Investments	2	136,189,032.35	146,542,872.60	103,328,483.10
Long Term Loans & Advances	3	199,392,484.00	189,033,765.00	136,012,054.00
Other Non Current Assets	4	1,214,083.00	440,509.00	440,993.00
<b>Sub-total - Non Current assets</b>		<b>340,669,041.49</b>	<b>340,083,256.94</b>	<b>244,050,115.89</b>
<b>CURRENT ASSETS</b>				
Inventories	5	44,921,461.86	50,210,472.35	56,079,602.00
<b>Financial Assets:</b>				
Trade Receivables	6	10,815,400.00	9,095,661.00	1,724,061.00
Cash & Bank Balances	7	83,569,765.77	40,485,371.32	38,953,923.42
Short Term Loans & Advances	8	-	-	-
<b>Current Tax Assets(net)</b>		<b>-</b>	<b>-</b>	<b>-</b>
Other Current Assets	8	4,929,175.67	3,243,207.99	3,346,485.67
<b>Sub-total - Current assets</b>		<b>144,235,803.30</b>	<b>103,034,712.66</b>	<b>100,104,072.09</b>
<b>TOTAL - ASSETS</b>		<b>484,904,844.79</b>	<b>443,117,969.60</b>	<b>344,154,187.98</b>
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDERS' FUNDS</b>				
Equity Share Capital	9	55,000,000.00	55,000,000.00	55,000,000.00
Other Equity	10	307,685,084.14	309,799,753.44	258,557,743.98
<b>Sub-total - Shareholders' funds</b>		<b>362,685,084.14</b>	<b>364,799,753.44</b>	<b>313,557,743.98</b>
<b>NON CURRENT LIABILITIES</b>				
<b>Financial Liabilities</b>				
Long Term Borrowings	11	1,122,348.00	1,012,949.00	8,995,225.00
Net Deferred Tax Liability		-	-	-
<b>Sub-total - Non-current liabilities</b>		<b>1,122,348.00</b>	<b>1,012,949.00</b>	<b>8,995,225.00</b>
<b>CURRENT LIABILITIES</b>				
<b>Financial Liabilities</b>				
Current Borrowings	11	23,374,868.00	46,403,154.00	13,593,497.00
Other Financial Liability	11	-	-	-
Trade Payables	12	8,638,110.00	37,485.00	65,295.00
Other Current Liabilities	13	68,815,344.00	10,237,385.00	5,940,672.00
Short Term Provisions	14	20,269,090.65	20,627,243.16	2,001,755.00
<b>Current Tax Liability(net)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Sub-total - Current liabilities</b>		<b>121,097,412.65</b>	<b>77,305,267.16</b>	<b>21,601,219.00</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>484,904,844.79</b>	<b>443,117,969.60</b>	<b>344,154,187.98</b>

Significant Accounting Policies and Other Notes on financial statements 22

As per our report of even date  
For **SENSONS**  
FIRM REGN.NO.002817N  
CHARTERED ACCOUNTANTS

(S.K.JAIN)  
PARTNER  
M.NO.082843  
UDIN:20082843AAAADC7031  
Place : New Delhi  
DATE : 29.07.2020



*(Signature)*  
(A. K. SUREKA)  
MANAGING DIRECTOR  
DIN: 00060206

*(Signature)*  
(D.K.GUPTA)  
CFO

*(Signature)*  
(MADHAV SUREKA)  
DIRECTOR  
DIN : 05889850

*(Signature)*  
(RITU PODDAR)  
ACS 35086  
COMPANY SECRETARY

ACS-35086

**QUALITY SYNTHETIC INDUSTRIES LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

	NOTES	Year Ended 31.03.2020 Rs.	Year Ended 31.03.2019 Rs.
<b>INCOME</b>			
Revenue from operations	15	5,108,974.99	2,528,286.00
Other Income	16	18,916,727.60	42,320,809.40
		<u>24,025,702.59</u>	<u>44,849,095.40</u>
<b>EXPENDITURE</b>			
Cost of Materials Consumed		-	
Purchase of Stock-in-Trade	17	-	43,800.00
Changes in inventories of finished goods, Work in Process and Stock-in-Trade	18	5,289,010.49	5,869,129.65
Employee Benefits Expenses	19	1,553,922.00	1,695,575.00
Other Expenses	21	12,972,368.24	11,765,732.50
Finance Cost (Net)	20	2,405,624.00	4,485,428.00
Depreciation and amortization expense	1	192,668.00	202,475.45
Total Expenses		<u>22,413,592.73</u>	<u>24,062,140.60</u>
<b>Profit before tax</b>		<u>1,612,109.86</u>	20,786,954.80
<b>Tax expense:</b>			
<b>(1) Current tax</b>			
Provision for Current Tax		(490,474.00)	(4,502,835.00)
MAT Credit available/used		(264,962.27)	(1,517,662.68)
<b>(2) Deferred tax</b>			
		773,574.00	(484.00)
<b>Profit for the year</b>		<u>1,630,247.59</u>	14,765,973.12
Other Comprehensive Income		(5,553,840.25)	50,764,389.50
Less: Provision for Tax On Other Comprehensive Income		1,545,078.36	(14,122,653.16)
<b>Total Comprehensive Income</b>		<u>(2,378,514.30)</u>	<u>51,407,709.46</u>
<b>Earning per equity share: - Basic &amp; Diluted</b>			
Rs. Per Equity Share (refer note no. 25.15)		(0.43)	9.35

**Significant Accounting Policies and Other Notes on financial statements**

22

As per our report of even date

For SENSONS

FIRM REGN.NO.002817N

CHARTERED ACCOUNTANTS



*(Signature)*  
(A. K. SUREKA)

MANAGING DIRECTOR

DIN: 00060206

*(Signature)*  
(MADHAV SUREKA)

DIRECTOR

DIN : 06889850

(S.K.JAIN)

PARTNER

M.NO.082843

UDIN:20082843AAAADC7031

Place : New Delhi

DATE : 29.07.2020

*(Signature)*  
(D.K.GUPTA)

CFO

*(Signature)*  
(RITU PODDAR)

COMPANY SECRETARY

ACS 35086

ACS-35086



CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

	Year Ended 31st March, 2020	Year Ended 31st March, 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and extraordinary items	1,612,110	20,786,955
Other Comprehensive Income	(5,553,840)	50,764,390
Adjustment for:		
Depreciation	192,668	202,475
Interest received on Trade Deposit	(8,176,918)	(7,732,205)
Dividend received	(240,594)	(179,172)
Impact of measuring investments at Fair Value	5,553,840	(50,764,390)
Profit on sale of investments	(8,435,000)	(30,458,000)
Interest	2,405,624	4,485,428
<b>Operating Profit before Working Capital Changes</b>	<b>(12,642,110)</b>	<b>(12,894,519)</b>
Adjustments for:		
Trade and other receivables	(12,078,458)	(60,393,311)
Inventories	5,289,010	5,869,130
Trade payable	67,178,584	4,268,903
<b>CASH GENERATED FROM OPERATIONS</b>	<b>47,747,027</b>	<b>(63,149,798)</b>
Interest paid	(2,405,624)	(4,485,428)
Direct Tax paid (Net)	(990,633)	(1,580,085)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>44,350,770</b>	<b>(69,215,312)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	8,435,000	30,458,000
Purchase / Sale of Investments	4,800,000	7,550,000
Interest Received	8,176,918	7,732,205
Dividend Received	240,594	179,172
<b>NET CASH FLOW FROM / USED IN INVESTING ACTIVITIES</b>	<b>21,652,512</b>	<b>45,919,377</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Borrowings(Net)	(22,918,887)	24,827,381
<b>NET CASH FLOW from FINANCING ACTIVITIES</b>	<b>(22,918,887)</b>	<b>24,827,381</b>
<b>INCREASE IN CASH OR CASH EQUIVALENTS (A+B+C)</b>	<b>43,084,394</b>	<b>1,531,447</b>
Cash and Cash Equivalents as at (Opening Balance)	40,485,372	38,953,925
Cash and Cash Equivalents as at (Closing Balance)	83,569,766	40,485,372

As per our report attached.

For **SENSONS**

FIRM REGN.NO.002817N

CHARTERED ACCOUNTANTS



(S.K.JAIN)

PARTNER

M.no. 082843

UDIN:20082843AAAADC7031

Place : New Delhi

DATE : 29.07.2020

(A. K. SUREKA)  
MANAGING DIRECTOR  
DIN: 00060206

(D.K.GUPTA)  
CFO

(MADHAV SUREKA)  
DIRECTOR  
DIN : 06889850

(RITU PODDAR)  
ACS 35086  
COMPANY SECRETARY

NOTE 1  
A. PROPERTY, PLANT & EQUIPMENT

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION/WRITE OFF				NET BLOCK		
	AS ON 31.03.2018 (Rs.)	ADDITIONS DURING THE YEAR (Rs.)	SALES/ DISPOSAL DURING THE YEAR (Rs.)	AS ON 31.03.2019 (Rs.)	ADJUSTED ON SALES/ DISPOSAL (Rs.)	FOR THE PERIOD (Rs.)	UPTO 31.03.2019 (Rs.)	UPTO 31.03.2018 (Rs.)	AS ON 31.03.2019 (Rs.)	AS ON 31.03.2018 (Rs.)	AS ON 31.03.2018 (Rs.)
LAND	68,600.00	-	-	68,600.00	-	-	-	-	68,600.00	68,600.00	68,600.00
OTHER BUILDINGS	309,127.00	-	-	309,127.00	-	3,216.00	246,851.60	-	309,099.00	62,275.31	65,666.52
OWNERSHIP FLAT	9,687,350.00	-	-	9,687,350.00	-	189,832.00	5,771,339.13	-	3,756,599.00	5,916,998.87	4,115,135.11
FURNITURE & FIXTURES	134,020.13	-	-	134,020.13	-	-	125,985.98	-	1,954.12	1,954.14	1,954.14
OFFICE EQUIPMENTS	255,849.60	-	-	255,849.60	-	-	220,093.18	-	5,756.42	5,756.42	5,756.42
COMPUTERS	341,225.60	-	-	341,225.60	-	-	238,500.33	-	2,724.67	2,724.67	2,724.67
INTANGIBLE ASSETS	35,048.00	-	-	35,048.00	-	-	33,295.67	-	1,752.33	1,752.33	1,752.33
AIR-CONDITIONERS & FANS	112,930.00	-	-	112,930.00	-	-	109,872.45	-	3,057.55	3,057.55	3,057.55
VEHICLES	151,781.00	-	-	151,781.00	-	-	149,344.68	-	1,436.32	1,436.32	1,436.32
FIRE FIGHTING EQUIPMENTS	59,031.00	-	-	59,031.00	-	-	55,896.27	-	2,103.73	2,103.73	2,103.73
	31,403,997.22			31,403,997.22		195,646.60	6,977,833.58		3,974,482.14	3,664,188.84	3,668,585.79
	31,403,997.22			(11,403,485.72)		(21,605.82)	(6,977,833.58)		(4,064,183.32)	41,264,588.79	(4,432,680.60)



For Quality Synthetic Industries Ltd.  
*[Signature]*  
Director

For Quality Synthetic Industries Ltd.  
*[Signature]*  
Director

*Ritu Poddar*  
ACS-35086

*R.C. Gupta*

NAME OF THE COMPANY	FACE VALUE (Rs.)	PAID UP VALUE (Rs.)	NUMBER OF SHARES				COST				MARKET VALUE			QUOTED / UNQUOTED	
			AS ON 31.03.2020		AS ON 31.03.2019		AS ON 31.03.2020		AS ON 31.03.2019		AS ON				
			Qty.	Qty.	Qty.	Qty.	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)		
Quoted															
BIHARJI ISPAT UDYOG LIMITED	10/-	10/-	524,400	324,400	1,657,300	1,657,300	1,657,300	1,657,300	1,657,300	30,415,200	30,415,200	30,415,200	30,415,200	30,415,200	QUOTED
CHAMBAL FERTILIZER LTD	10/-	10/-	14,150	14,150	518,450	518,450	518,450	518,450	518,450	2,355,975	2,355,975	2,355,975	2,355,975	2,355,975	QUOTED
ESCORTS LTD	10/-	10/-	500	500	57,575	57,575	57,575	57,575	57,575	331,475	331,475	331,475	331,475	331,475	QUOTED
GREAT EAST SHIPPING LTD	10/-	10/-	872	872	197,170	197,170	197,170	197,170	197,170	277,026	277,026	277,026	277,026	277,026	QUOTED
KAMADIRI FASHION LTD	10/-	10/-	69,200	69,200	1,648,966	1,648,966	1,648,966	1,648,966	1,648,966	7,918,480	7,918,480	7,918,480	7,918,480	7,918,480	QUOTED
JAI PRAKASH ASSOCIATES LTD	10/-	10/-	15,067	15,067	115,112	115,112	115,112	115,112	115,112	66,635	66,635	66,635	66,635	66,635	QUOTED
Unquoted															
SARAJI METAL WORKS PRIVATE LIMITED	10/-	10/-	69,400	69,400	694,000	694,000	694,000	694,000	694,000	69,400	69,400	69,400	69,400	69,400	UNQUOTED
AAA STEEL & ENERGY (INDIA) LTD.	10/-	10/-	20,000	20,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	3,660,000	3,660,000	3,660,000	3,660,000	3,660,000	UNQUOTED
JOTINDRA STEEL & TUBES LTD.	10/-	10/-	130,208	130,208	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	UNQUOTED
MUKANDI PREFE120123	10/-	10/-	500	500	500	500	500	500	500	500	500	500	500	500	UNQUOTED
VEE EM INFO CENTRE PVT. LTD.	10/-	10/-	350,415	350,415	2,898,150	2,898,150	2,898,150	2,898,150	2,898,150	4,888,288	4,888,288	4,888,288	4,888,288	4,888,288	UNQUOTED
SKO ESTATES PVT. LTD.	10/-	10/-	17,700	17,700	11,850,000	11,850,000	11,850,000	11,850,000	11,850,000	19,079,334	19,079,334	19,079,334	19,079,334	19,079,334	UNQUOTED
TANZAN FASHION INDIA PVT. LTD.	100/-	100/-	40,000	40,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	UNQUOTED
MODGEN FASHION INDIA PVT. LTD	10/-	10/-	480,000	480,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	4,800,000	UNQUOTED
SYNERGY FRIGHTWAYS PVT. LTD	100/-	100/-	480	480	49,000	49,000	49,000	49,000	49,000	582,604	582,604	582,604	582,604	582,604	UNQUOTED
ADMIRE HOTELS PVT. LTD	10/-	10/-	18,100	18,100	510,000	510,000	510,000	510,000	510,000	510,000	510,000	510,000	510,000	510,000	UNQUOTED
BIHARJI FANCY FIBERS & FAB CO. LTD	10/-	10/-	285,400	285,400	606,500	606,500	606,500	606,500	606,500	3,095,580	3,095,580	3,095,580	3,095,580	3,095,580	UNQUOTED
GL LAND & HOUSING PVT. LTD	100/-	100/-	7,000	7,000	700,000	700,000	700,000	700,000	700,000	1,193,010	1,193,010	1,193,010	1,193,010	1,193,010	UNQUOTED
RATTAN INFOTECH PVT. LTD	100/-	100/-	1,500	1,500	150,000	150,000	150,000	150,000	150,000	2,483,850	2,483,850	2,483,850	2,483,850	2,483,850	UNQUOTED
ECO FRIENDLY HOTELS PVT. LTD	10/-	10/-	10,000	10,000	2,994,400	2,994,400	2,994,400	2,994,400	2,994,400	2,994,400	2,994,400	2,994,400	2,994,400	2,994,400	UNQUOTED
V.K. FLATS PVT. LTD	10/-	10/-	28,800	28,800	2,997,750	2,997,750	2,997,750	2,997,750	2,997,750	3,265,344	3,265,344	3,265,344	3,265,344	3,265,344	UNQUOTED
IDEA INTERNATIONAL PVT. LTD	10/-	10/-	41,000	41,000	14,285,630	14,285,630	14,285,630	14,285,630	14,285,630	14,285,630	14,285,630	14,285,630	14,285,630	14,285,630	UNQUOTED
DEEPAK HOTELS PVT. LTD	10/-	10/-	76,000	76,000	7,560,480	7,560,480	7,560,480	7,560,480	7,560,480	7,663,840	7,663,840	7,663,840	7,663,840	7,663,840	UNQUOTED
Purannual Foods (India) Pvt. Ltd.															
Mutual Funds															
ASK PRAMI PRIVATE OPPORTUNITIES FUND			1,720,802	2,200,802	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	UNQUOTED
Grand Total				3,276,302	99,978,483	99,978,483	99,978,483	99,978,483	99,978,483	146,542,873	146,542,873	146,542,873	146,542,873	146,542,873	
			1,720,802	2,200,802	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	

For Quality Synthetic Industries Ltd,



For Quality Synthetic Industries Ltd.

*Signature*

Director

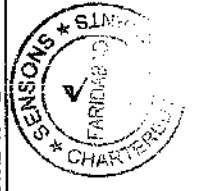
*Signature*

*Priti Poddar*

ACS-35086

PART OF NOTE - 11 : DETAILS OF STOCK IN TRADE AS AT 31ST MARCH, 2020

NAME OF COMPANY	OPENING STOCK		PURCHASES		SALE (TRANSFER TO INVESTMENTS)		CHANGES IN CARRYING AMOUNT		CLOSING STOCK	
	Nos.	Amount	Nos.	Amount	Shares Nos.	Amount of Transfer to	Sales Rs.		Nos.	Amount
<b>A. QUOTED SHARES</b>	2018	2,019,00								
Aravali Sec. & Fin. Ltd.	8,500	68,000							8,500	68,000.00
Adhunik Synthetic Ltd.	400	400							400	400.00
Biharji Int.Ltd.	16,500	29,358							16,500	29,358.00
Global Foods Ltd.	200	1,800							200	1,800.00
GoA Offshore Ltd.	468	4,727							468	4,727.00
IL&F's Ltd.	101,420	528,398							101,420	528,398.00
Indo Rama Synthetics (India) Ltd.	4,832	172,019					112,244		4,832	59,875.20
Infomedica Press Ltd	2,249	6,635					1,125		2,249	5,510.05
Mulchand Ltd	500	1,000							500	4,000.00
Network 18 Media & Investments Ltd	314	11,131							314	11,477.00
Stentis Security Ltd	3,500	-							3,500	-
Kothen Products Ltd.	652	98,289					34,067		652	22,363.60
Kothen Products Ltd.(Bonus)	2,282	-							2,282	-
Onkey Silk Mills Ltd	99	-							99	-
Reliance Enterprises Ltd.	3	-							3	-
Reliance Industries Ltd.	248	92,752							248	92,752.00
Shree Ram Mills Ltd.	2,000	75,000							2,000	75,000.00
United Floor Mills Ltd.	12,672	12,672							12,672	12,672.00
Western Spring India Ltd	5,000	12,750							5,000	12,750.00
<b>TOTAL "A"</b>	<b>187,099</b>	<b>2,896,323</b>	<b>187,069</b>	<b>2,889,483</b>			<b>147,836</b>		<b>187,069</b>	<b>2,537,957.85</b>
<b>B. UNQUOTED SHARES</b>										
Biharji Infotech Pvt.Ltd	40,300	4,451,941	40,300	4,451,941					40,300	4,451,941
Modgen Fashions Pvt.Ltd	250,000	2,532,500	250,000	2,532,500	250,000		2,500,000			
Sureka Tubes Industries Pvt.Ltd.	17,782	2,000,325	17,782	2,000,325					17,782	2,000,325
Kumardhul Engineering Works Ltd.	1,080	438	1,080	438					1,080	438
Magnum Products Pvt. Ltd.	13,938	1,702,109	13,938	1,702,109					13,938	1,702,109
Purammi Foods (India) Pvt.Ltd.	561,500	3,644,135	561,500	3,644,135					561,500	3,644,135
Biharji Power Projects Pvt.Ltd	190	18,000	190	18,000					190	18,000
Sarvome Buildwell Pvt.Ltd	1,900	19,000	1,900	19,000					1,900	19,000
Sarvome Developers Pvt.Ltd	1,900	19,000	1,900	19,000					1,900	19,000
Sarvome Housing Pvt.Ltd			900	9,000					900	9,000
Biharji Developer Pvt.Ltd			1,760	17,800					1,760	17,800
Biharji Highrise Pvt.Ltd			880	8,800					880	8,800
Biharji Properties Pvt.Ltd			840	840					840	840
Jst Engineering Services Ltd.	2,401	489,228	2,401	489,228					2,401	489,228
Three Platinum Softach Pvt.Ltd	1,200,000	11,796,000	1,200,000	11,796,000					1,200,000	11,796,000
<b>IN PMS FUNDS</b>										
Ask Real Estates Special Opportunities Fund	1,900,000	21,709,605	1,580,000	15,815,065	54,459		545,134		1,580,000	15,269,931
Ask Prati Private Estates Equity Opportunities Fund	500,000	5,000,000	500,000	5,000,000	206,384		2,063,641		293,616	2,936,159
<b>TOTAL "B"</b>	<b>4,491,061</b>	<b>53,383,279</b>	<b>4,175,381</b>	<b>47,524,979</b>	<b>510,843</b>		<b>5,109,975</b>		<b>3,716,937</b>	<b>42,383,504</b>
<b>TOTAL "A"+"B"</b>	<b>4,678,060</b>	<b>53,079,602</b>	<b>4,362,440</b>	<b>50,210,472</b>	<b>510,843</b>		<b>2,880,836</b>		<b>3,906,056</b>	<b>44,921,462</b>



For Quality Synthetic Industries Ltd.

For Quality Synthetic Industries Ltd.

*[Signature]*  
Director

*[Signature]*  
Director

*Aty Poddar*  
*ACS-35081*

*Dr. Gupta*

FINANCIAL ASSETS			
NOTE - 3 : LONG TERM LOANS & ADVANCES	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>LOANS AND ADVANCES (Unsecured, considered good)</b>			
Loans (including interest)			
- Considered Good-Related Party	103,258,003.00	85,825,289.00	35,935,727.00
- Considered Good-Others	29,170,562.00	26,797,108.00	24,622,499.00
- Considered Doubtful	340,000.00	340,000.00	340,000.00
- Provision for Doubtful Loans	(340,000.00)	(340,000.00)	(340,000.00)
	<u>132,428,565.00</u>	<u>112,622,397.00</u>	<u>60,558,226.00</u>
Advances - (Recoverable in Cash or in kind or for value to be received)			
- For Capital Goods	25,040,019.00	34,387,468.00	25,529,928.00
- To Related Parties	39,910,000.00	39,910,000.00	47,810,000.00
- To Others	2,000,000.00	2,100,000.00	2,100,000.00
	<u>66,950,019.00</u>	<u>76,397,468.00</u>	<u>75,439,928.00</u>
Security & Other Deposits	13,900.00	13,900.00	13,900.00
	<u>199,392,484.00</u>	<u>189,033,765.00</u>	<u>136,012,054.00</u>
<b>NOTE - 4 : OTHER NON CURRENT ASSETS</b>			
Deferment of Processing Charges as per Ind AS	1,214,083.00	440,509.00	440,993.00
<b>CURRENT ASSETS</b>			
<b>NOTE - 5 : INVENTORIES</b>			
(As per inventories taken, valued and certified by the management)			
Shares & Securities (as per Note)	44,921,461.86	50,210,472.35	56,079,602.00
	<u>44,921,461.86</u>	<u>50,210,472.35</u>	<u>56,079,602.00</u>
<b>FINANCIAL ASSETS</b>			
<b>NOTE - 6 : TRADE RECEIVABLES</b>			
<b>SUNDRY DEBTORS (Unsecured, considered good)</b>			
Outstanding for more than six months			
Considered goods	10,815,400.00	9,095,661.00	1,724,061.00
	<u>10,815,400.00</u>	<u>9,095,661.00</u>	<u>1,724,061.00</u>
<b>NOTE - 7 : CASH AND BANK BALANCES</b>			
Cash In Hand (as per Books & Certified)	1,277,379.79	303,377.79	206,918.79
Balances with Scheduled Banks in Current Accounts	82,292,385.88	40,181,993.53	38,747,004.63
	<u>83,569,765.77</u>	<u>40,485,371.32</u>	<u>38,953,923.42</u>
<b>NOTE - 8 : OTHER CURRENT ASSETS</b>			
Income Tax Payments & Tax Deducted At Source	1,049,143.67	3,243,207.99	2,297,342.00
Mat Credit Entitlements	3,880,032.00	-	1,049,143.67
	<u>4,929,175.67</u>	<u>3,243,207.99</u>	<u>3,346,485.67</u>

For Quality Synthetic Industries Ltd.

*[Signature]*  
Director

For Quality Synthetic Industries Ltd.

*[Signature]*  
Director



*[Signature]*

*[Signature]*  
A.C.S-35086

NOTE 9: SHARE CAPITAL	As of 31.03.2020		As of 31.03.2019		As of 01.04.2018	
<b>AUTHORISED</b> 5,550,000 (5,550,000) Equity Shares of Rs.10/- each		55,500,000.00		55,500,000.00		55,500,000.00
<b>ISSUED SUBSCRIBED AND PAID UP</b> 5,500,000 (5,500,000) Equity Shares of Rs.10/- each fully paid up in Cash		55,000,000.00		55,000,000.00		55,000,000.00
		<u>55,000,000.00</u>		<u>55,000,000.00</u>		<u>55,000,000.00</u>
<b>Share holders holding 5% or more of shareholding</b>	As of 31.03.2020		As of 31.03.2019		As of 01.04.2018	
<b>Name of the Share Holders</b>	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
a) Master, Deepanshu Suneja	275,465.00	5.00	275,465.00	5.00	275,465.00	5.00
b) Sinarayan Raj Kumar Merchants Ltd.	916,711.00	16.67	916,711.00	16.67	857,911.00	15.60
c) Bhorat Ispat Udyog Ltd.	528,353.00	9.61	528,353.00	9.61	528,353.00	9.61
d) Bhorat Fancy Fibers & Fabrics Ltd.	282,200.00	5.13	282,200.00	5.13	282,200.00	5.13
e) Hemant Ventotamant Lalithra	278,811.00	5.06	278,811.00	5.06	278,811.00	5.06
<b>NOTE - 10: OTHER EQUITY</b>	As of 31.03.2020		As of 31.03.2019		As of 01.04.2018	
<b>SHARE PREMIUM ACCOUNT</b> Balance brought forward	88,917,389.00	88,917,389.00	88,917,389.00	88,917,389.00	88,917,389.00	88,917,389.00
<b>RBI RESERVE FUND FOR NBFC</b> Balance Brought Forward	29,260,409.00		26,310,409.00	26,070,409.00	26,310,409.00	26,310,409.00
Add: Transferred from Profit & Loss Account	<u>326,049.52</u>	29,586,458.52	<u>2,980,000.00</u>	29,260,409.00	<u>240,000.00</u>	26,310,409.00
<b>RBI RESERVE FUND for NBFC</b> (Contingent Provisions against Standard Assets ) Balance Brought Forward	837,000.00		837,000.00	837,000.00	837,000.00	837,000.00
Add: Transferred from Profit & Loss Account		837,000.00		837,000.00		837,000.00
<b>GENERAL RESERVE</b> Balance Brought Forward	154,143,219.10		142,492,945.98	141,786,448.78	142,492,945.98	142,492,945.98
Add: Transferred from Profit & Loss Account	<u>1,568,043.07</u>	155,711,262.17	<u>11,650,273.12</u>	154,143,219.10	<u>726,497.20</u>	142,492,945.98
<b>PROFIT &amp; LOSS ACCOUNT</b> Profit for the Year	1,630,247.59		14,785,973.12	1,216,497.20	1,216,497.20	
Adjustments For:						
MAT Credit Entitlement						
Income Tax for earlier year	263,845.00		(165,700.00)	(250,000.00)	(250,000.00)	
Transferred to RBI Reserve Fund for NBFC	(326,049.52)		(2,980,000.00)	(240,000.00)	(240,000.00)	
Transferred to General Reserve	<u>(1,568,043.07)</u>		<u>(11,650,273.12)</u>		<u>(726,497.20)</u>	
<b>Other Retained Earning</b> IND AS Transition Reserve Balance brought forward						
Add: Transfer from Revaluation Reserve						
<b>Other Comprehensive Income:</b> Balance Brought Forward	36,641,736.34		36,641,736.34	36,641,736.34	36,641,736.34	
For the Year	<u>(4,000,761.89)</u>	32,632,974.45				
		<u>307,685,084.14</u>		<u>309,799,753.44</u>		<u>258,557,743.98</u>
<b>NOTE - 11: BORROWINGS</b>	As of 31.03.2020		As of 31.03.2019		As of 01.04.2018	
	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term
<b>II. UNSECURED</b>						
<b>From Related Parties:</b>						
From Directors	1,122,348.00	347,539.00	1,012,949.00	109,399.00	160,205.00	852,744.00
From Bodies Corporate-Related Party		23,027,329.00		46,293,755.00	8,835,020.00	12,740,753.00
	<u>1,122,348.00</u>	<u>23,374,868.00</u>	<u>1,012,949.00</u>	<u>46,403,154.00</u>	<u>8,995,225.00</u>	<u>13,593,497.00</u>

For Quality Synthetic Industries Ltd

*[Signature]*  
Director

For Quality Synthetic Industries Ltd

*[Signature]*  
Director



*[Signature]*

*[Signature]*  
ACS-35086

Term Loan(HLAPVAS00240524) from Indiabulls Housing 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 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 31.03.2020 is Rs.2,61,78,657.39 (Previous year 2,75,29,533.36) and the installments due within the period of next 12 months are Rs.32,56,944.32/ (previous year 28,76,102.24/-)

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. Bilhariji Spot 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 31.03.2020 is Rs.2,52,48,754/- (Previous year Rs.2,58,62,135/-) and the installments due within the period of next 12 months are Rs.24,98,224/- (previous year Rs. 22,32,676)

NOTE - 12: TRADE PAYABLES	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Sundry Creditors	8,638,110.00	37,485.00	65,295.00
	<u>8,638,110.00</u>	<u>37,485.00</u>	<u>65,295.00</u>

NOTE - 13: OTHER CURRENT LIABILITIES	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Loans Liabilities			
Advance from Customers-Related Party	68,570,000.00	9,600,000.00	5,700,000.00
Advance from Customers-Others	245,344.00	637,385.00	240,672.00
Income Tax Deducted at Source			
	<u>68,815,344.00</u>	<u>10,237,385.00</u>	<u>5,940,672.00</u>

Note] There are no amounts due for payment to the Investor Education and Protection Fund Under Section 205C of the Companies Act, 1956 as at the year end.

NOTE - 14: SHORT TERM PROVISIONS	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
For Income Tax		7,691,815.95	2,001,755.00	4,502,835.00	1,086,173.00	915,582.00
For tax on comprehensive income		12,577,574.80		14,122,653.16		
		<u>20,269,390.75</u>	<u>2,001,755.00</u>	<u>18,625,488.16</u>	<u>1,086,173.00</u>	<u>915,582.00</u>

For Quality Synthetic Industries Ltd

*[Signature]*  
Director

For Quality Synthetic Industries Ltd.

*[Signature]*  
Director



*[Handwritten Signature]*

*Ritu Poddar*  
ACS-35086

**QUALITY SYNTHETIC INDUSTRIES LIMITED**

**NOTES 15 : REVENUE FROM OPERATIONS**

	Year ended 31.03.2020	Year ended 31.03.2019
Sales of Quoted Shares		
Sale of Unquoted Shares	2,500,000.00	
Sales of Mutual fund	2,608,974.99	2,528,286.00
	<u>6,108,974.99</u>	<u>2,528,286.00</u>

**NOTES 16 : OTHER INCOME**

	Year ended 31.03.2020	Year ended 31.03.2019
Interest (Gross)	8,176,918.00	7,732,205.00
Rent Received		
Dividend	1,143,000.00	1,524,000.00
Profit on Sale of Long Term Investments	240,593.60	178,172.40
Income through VENTURE CAPITAL FUND (ASK Real Estate Special Opportunities Fund)	8,435,000.00	30,458,000.00
- Interest (Gross)	774,038.00	2,299,326.00
- Income Received from Last year	2,250.00	2,429.00
- Dividend		
- Short Term Capital Gain	144,928.00	921,216.00
Miscellaneous Income	18,916,727.60	42,320,809.40

**NOTES 17 : PURCHASE OF STOCK IN TRADE**

	Year ended 31.03.2020	Year ended 31.03.2019
Unquoted Shares		43,800.00
		<u>43,800.00</u>

**NOTES 18 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE**

	Year ended 31.03.2020	Year ended 31.03.2019
<b>STOCKS AT COMMENCEMENT OF THE YEAR</b>		
Shares & Securities	50,210,472.35	56,079,602.00
<b>STOCKS AT CLOSE OF THE YEAR</b>		
Shares & Securities	44,921,461.86	50,210,472.35
<b>INCREASE / (DECREASE) IN STOCKS</b>	<u>(5,289,010.49)</u>	<u>(5,869,129.65)</u>

**NOTES 19 : EMPLOYEE BENEFIT EXPENSES**

	Year ended 31.03.2020	Year ended 31.03.2019
Salary Wages Bonus & Allowances	1,553,922.00	1,695,575.00
	<u>1,553,922.00</u>	<u>1,695,575.00</u>

**NOTES 20 : FINANCE COST**

	Year ended 31.03.2020	Year ended 31.03.2019
Interest Paid		
To Others	2,405,624.00	4,485,428.00
	<u>2,405,624.00</u>	<u>4,485,428.00</u>

**NOTES 21 : OTHER EXPENSES**

	Year ended 31.03.2020	Year ended 31.03.2019
Rent, Rates and Taxes		183,681.00
Traveling and Conveyance		3,170.00
Advertisement and Publicity	20,624.00	18,592.00
Proportionate administrative expenses by Venture Capital Fund	104,522.00	444,337.00
Loss on Sale of investments		7,474,500.00
Bank Charges		
Repairs and Maintenance	1,334.24	7,094.50
Consultancy and Professional Charges	15,000.00	107,016.00
Auditor's Remuneration :	247,808.00	396,200.00
As Audit Fee	24,388.00	24,388.00
As Tax audit Fees	5,612.00	5,612.00
Rent paid		600,000.00
Listing Fees		600,000.00
Director's Meeting Fees		75,650.00
Gst Charges		9,000.00
Bad Debts		7,750.00
Miscellaneous Expenses	34,443.00	2,308,583.00
	3,050,000.00	
	16,729,187.00	
	<u>22,972,358.24</u>	<u>11,765,732.50</u>



For Quality Synthetic Industries

*[Signature]*  
Director

For Quality Synthetic Industries Ltd.

*[Signature]*

*Ritu Poddar*  
ACS-35086



**1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements upto the year ended 31st March 2019 were prepared in accordance with the accounting standard rules 2006 (as amended) and other relevant provisions of the companies act, 2013 (Indian GAAP).

The ministry of corporate affairs (MCA) issued a notification on 16th February, 2015, making Indian Accounting standards, issued under section 133 of companies act, 2013 mandatory for certain class of companies.

As per notification, Ind AS is mandatory for the company for the financial year commencing 1st April 2019. Accordingly, the company has adopted Ind AS from 1st April 2019 and the financial statements for the year ended 31st March 2020 have been prepared in accordance with the principles laid down in the said Ind AS.

The financial statements are presented in Indian rupees, which is the functional currency of the company and the currency of the primary economic environment in which the company operates.

The financial statements have been prepared on a historical cost basis, except the following assets and liabilities:

- i) Certain financial assets such as Investments are measured at fair market value (refer account policy regarding financial instruments).
- ii) Plant, property and equipment are measured at historical cost concept method.

**2 FIRST TIME ADOPTION OF Ind AS**

The company has restated the financial statement as at 1st April 2019 (opening), being the transition date, on the following basis:

The amount of transition reserve (component of retained earnings) arising on the same is given below:

- a) All tangible assets, including property, plant and equipments, and intangible assets were taken at historical cost and hence no adjustments is required in financial statements.
- b) Investments have been assessed at fair values.

Exemptions availed as per Ind AS 101:

1) Past business combination:

The company has elected not to apply Ind AS 103-Business combination retrospectively to past business combination that occurred before the transition date of 01-April-2019 consequently, the company has kept the same classification for the past business combination as in its GAAP financial statements.

2) Property, Plant and Equipments:

The company has elected to measure the PPE at historical cost method as was prevailing in the previous financial statements.

3) Investments in Subsidiaries & Associates :

There is no subsidiary of the company.

4) Fair value of financial Assets and Liabilities:

As per the Ind AS exemption, the company has not fair valued the financial assets and liabilities retrospectively and measured the same prospectively.

**SIGNIFICANT ITEMS OF ACCOUNTING POLICY**

(a) Basis of Accounting:

The accounts of the Company are prepared under the historical cost convention, in accordance with applicable Accounting Standards, for recognition of income and expenditure mercantile systems of accounting is followed.

(b) Use of Estimates

The preparation of financial statements in under Indian Accounting Standard (Ind AS) requires management to make estimates and assumptions that effect the reported statements of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the year. The actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

(c) Property, Plant & Equipment:

Property, Plant & Equipment are stated at cost and / or revalued cost less depreciation. Since certain machineries were purchased in Court auction at a consolidated price, any sale out of the said machineries is adjusted in the plant & machinery account at sale value.

(d) Depreciation:

Depreciation has been provided on straight line method at the rates and basis prescribed in Schedule II to the Companies Act, 2013 to write off assets up to 95% of original cost.

(e) Investments:

Investments are stated at fair market values.

(f) Dividend

Dividend declared within the close of the accounting year only are accounted for.

(g) Valuation of inventories

Stock of Shares and Securities are valued at lower of cost or estimated realisable value.

(h) Contingent Liabilities

Disputed liabilities and claims against the Company including claims by Taxation Authorities pending in appeals are treated as contingent liabilities and are not provided for and are shown by ways of notes.



Ritu Poddar  
ACS-35086

(I) **Taxes on Income**

Tax expenses for the relevant period comprises of current tax and deferred tax. Deferred Tax Assets 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**

**1 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:**

- A. Claims against the Company not acknowledged as debts. Amount (Amount)
- 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 Appellate Tribunal.

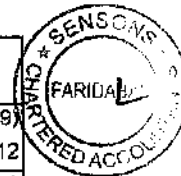
Assessment Year	Tax on Additional Income	Interest on Additional	Amount of	Demand
2013-14	19,467,000	8,176,140	27,643,140	Nil

- C Income Tax Return of the company for the AY 2019-20 has not been filed till date and tax and interest thereon has not been deposited. Moreover demand of Rs. 522240 for the A.Y. 2018-19 is pending.
- D 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. 242.50 Lacs(Rs.343.87 Lacs) advance paid against the same Rs.242.50 Lacs(Rs.343.87 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 squared off during the year by making journal entries on the basis of letter from borrower
  - 5 The Contingent Provision against Standard Assets @ 0.40% as per Notification No-DNBR.PD.CC.No.002 / 03.10.001 / 2014-15 (i) 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 The company has exceeded the exposure norms prescribed by the Reserve Bank of India, for Loans and advances and /or (ii) 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.
- 9 The provision for deferred tax Liability / (Assets) has been made for adjustment for timing difference as detailed here under:-

**Deferred Tax Assets And Liabilities are adjusted on following:**

Particulars	As on	For the year	As on
	31.03.2019	2019-20	31.03.2020
Depreciation	(2,057)	172	(2,229)
Unabsorbed Capital Losses	442,566	773,746	1,216,312
	440,509	(773,574)	1,214,083



For Quality & Ethics India

*[Signature]*

*[Signature]*

Ritu Poddar  
ACS - 35086

10

Significant material orders passed by regulators : Hon'ble Supreme Court of India, vide its order dt 14.10.2019 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, has ordered Mg. Director & Father & brother of the Mg. Director of the company to deposit a sum of Rs.167 Crores in the Registry of the Court on or before 30.11.2019. Since the amount has not been deposited only the details of Properties have been submitted, the case is still pending before Hon'ble, Supreme Court of India. However a specific liability of Rs. 8.36 Crores have been determined against the Company by the Forensic Auditor & confirmed by the Hon'ble Supreme Court of India, provisions of which, has not been made in the Books of accounts for the year ended 31.3.2020.

11

Loans & advances of Rs. 30.50 Lac's has been written -off during the year

12

**Impact of Covid-19:** A nation-wide lockdown was declared by the Government of India wef March 24, 2020 due to outbreak of Covid-19 pandemic, which was extended in phases upto May 31, 2020. This pandemic has resulted in significant decrease in economic activities across all the sectors including that of our company. The Company has considered the possible effects that may result from the COVID- 19 pandemic on the carrying value of property, plant and equipment, inventories, receivables and other assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statemen has used internal and external sources of information and concluded that no adjustments are required to the financial results. Given the dynamic nature of pandemic the Company will continue to monitor the developing scenario for any material changes.

For Quality Synthetic Industries Ltd

*[Signature]*  
Director

For Quality Synthetic Industries Ltd

*[Signature]*  
Director



*[Signature]*

*Ritu Poddar*  
ACS-35086

(i) Quantitative Details:

NAME OF THE ITEM TRADED	UNITS	OPENING STOCKS		PURCHASES		SALES / Transferred to Investment		CLOSING STOCKS	
		QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
			Rs.		Rs.		Rs.		Rs.
SHARES & SECURITIES	Nos.	4,362,440	50,210,472			510,843	5,108,975	3,906,056	44,921,462
		(4,677,936)	(56,079,602)	(4,360)	(43,800)	(320,000)	(2,525,286)	(4,362,316)	(50,210,472)

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	Nil	(Nil)

As per our report of even date  
For **SENSONS**

FIRM REGN.NO.002817N  
Chartered Accountants



(S.K.JAIN)  
PARTNER

M.No. 082843

UDIN:20082843AAAADC7031

Place : New Delhi

DATE : 29.07.2020

(A. K. SUREKA)  
MANAGING DIRECTOR

(MADHAV SUREKA)  
DIRECTOR

(D.K.GUPTA)  
CFO

(RITU PODDAR)  
ACS 35086  
COMPANY SECRETARY

Ritu Poddar  
ACS-35086

**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)

Name of the Member(s)
Registered Address:
E-mail Id:
Folio No./Client Id:
DP ID:

I/We, being the member(s) of and holding.....shares of the above named company, hereby appoint

1. Name:..... of (Address).....having Email Id:.....  
Signature:....., or failing him
2. Name:.....of (Address).....having Email Id:.....  
Signature:....., or failing him
3. Name:.....of (Address).....having Email Id:.....  
Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, the 28th of September 2020 at 02:00 PM at the Registered Office of the Company at Room No. 107, 1<sup>st</sup> Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below:

Sl.No.	Resolution(s)	For	Against
<b>ORDINARY BUSINESSES: Ordinary Resolution</b>			
1.	To adopt the Audited Financial Statements for the financial year ended 31 <sup>st</sup> March, 2020 together with the Reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Shri Anand Kumar Gupta (DIN: 00024458), who retires by rotation and, being eligible, offers himself for re- appointment.		
3.	To appoint M/s Charanjit Singh & Associates, Chartered Accountants (FRN:015328N), Mohali, Faridabad as the Statutory Auditors in place of M/s SENSONS.		
<b>SPECIAL BUSINESSES: Ordinary Resolution</b>			
4.	To approve the re-appointment of Shri Akhil Kumar Sureka (DIN: 00060206) as the Managing Director of the Company wef. 01 <sup>st</sup> August, 2020 for a period of five years		
5.	To approve entering into Transactions with Related Parties u/s 188 of the Companies Act, 2013.		
<b>Special Business-Special Resolution</b>			
6.	To approve Limits of Borrowing upto Rs. 100 Crores in conformity with section 180(1) (c) of the Companies Act, 2013.		

Signature of shareholder  
Signed this .....day of .....2020.

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.**

**Attendance Slip**

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

I hereby record my presence at the 45<sup>th</sup> Annual General Meeting held at \_\_\_\_\_ at the Registered Office of the Company, Room No. 107, 1<sup>st</sup> Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata-700 001 on Monday, 28<sup>th</sup> September 2020 at 02:00 P.M

Member's/proxy's Name \_\_\_\_\_

Member's/proxy's Signature \_\_\_\_\_

No. of Shares: \_\_\_\_\_

Folio No./DP Id No\*/ Client Id Number\* \_\_\_\_\_

\*Applicable for investors holding shares in electronic form.

(FOR INSTRUCTION SEE AS UNDER)

---

**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.

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]*

<b>Name of the Company: Quality Synthetic Industries Limited</b>				
<b>Registered Office: Room No.-107, 1<sup>st</sup> Floor, Anand Jyoti Building, 41, Netaji Subhas Road, Kolkata -700 001.(West Bengal).</b>				
<b>CIN: L65929WB1975PLC029956</b>				
<b>BALLOT PAPER</b>				
<b>S No</b>	<b>Particulars</b>	<b>Details</b>		
1	Name of the first named Shareholder (In Block 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:				
<b>S No</b>	<b>Item No.</b>	<b>No. of Shares held by me</b>	<b>I assent to the resolution</b>	<b>I dissent from the resolution</b>
<b>ORDINARY BUSINESS</b>				
1.	To adopt the Audited Financial Statements for the financial year ended 31 <sup>st</sup> March, 2020 together with the Reports of the Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Shri Anand Kumar Gupta (DIN: 00024458), who retires by rotation and, being eligible, offers himself for re-appointment			
3.	To appoint M/s Charanjit Singh & Associates, Chartered Accountants (FRN:015328N), Mohali as the Statutory Auditors in place of M/s SENSONS.			
<b>SPECIAL BUSINESS</b>				
4	To approve the re-appointment of Shri Akhil Kumar Sureka (DIN: 00060206) as the Managing Director of the Company wef. 01 <sup>st</sup> August, 2020 for a period of five years			
5	To approve entering into Transactions with Related Parties u/s 188 of the Companies Act, 2013.			
6	To approve Limits of Borrowing upt Rs. 100 Crores in conformity with section 180(1) (c) of the Companies Act, 2013			
<b>Place:</b>		<b>(Signature of the shareholder)</b>		
<b>Date:</b>				

## **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 Thursday, September 03, 2020.

Last date for remote e-voting is the close of working hours (05:00 P.M.) on **Sunday, 27<sup>th</sup> September, 2020**

### **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, 21<sup>st</sup> September, 2020.**

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 [www.qualitysyntheticfibre.com](http://www.qualitysyntheticfibre.com) 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, 28<sup>th</sup> September, 2020 and communicated to the MSEI & CSE where the shares of the company are listed