

Gorani Industries Ltd.



XXVth Annual Report
2019-20



Gorani Industries Ltd.

Board of Directors

Anil Gorani
Sanjay Gorani
Nakul Gorani
Komal Motwani
Vikram Rajkumar Khandelwal
Raina Goyal

Chairman & Whole Time Director
Managing Director
Whole Time Director
Independent Woman Director
Independent Director
Non-Executive Director

Auditor

M/s. Sneha Sarda & Co.
Chartered Accountants.

Chief Financial Officer

Chandra Shekhar Sharma

Bankers

1. Axis Bank Ltd.
Kanadiya Road, Indore
2. YES Bank Ltd., Indore

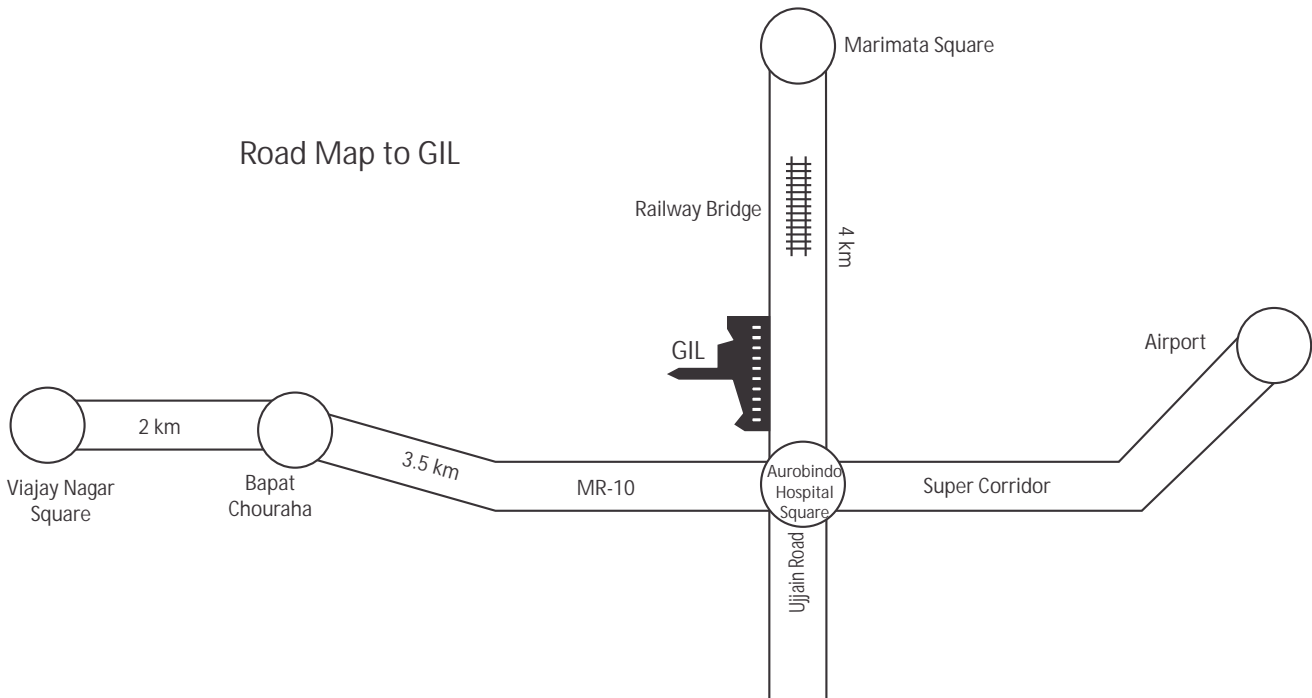
Company Secretary

Neerja Mandiya

Registered Office

Plot No. 32-33, Sector F,
Sanwer Road, Industrial Area,
INDORE - 452 015 (M.P.)
CIN - L28121MP1995PLC009170
GSTIN - 23AAACG6274B1Z2

Road Map to GIL





NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Fifth Annual General Meeting of the members of the Company Gorani Industries Limited will be held on Wednesday, the 30th day of September, 2020 at 12:30 P.M. through video conferencing/other audio visual means to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31st, 2020, the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Nakul Gorani (Holding DIN: 06543317), Whole-time Director, who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for the appointment of Statutory Auditor M/s. Sandeep Surendra Jain and Company, Chartered Accountants, bearing Firm Registration No. 010172C, to fill the casual vacancy caused due to resignation of M/s. Sneha Sarda & Company, to hold the office from 25th August, 2020 until the conclusion of this Annual General Meeting, on a remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand only) per annum or as may be approved by the Audit Committee in consultation with the Auditors plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."
4. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) thereto or re-enactment

thereof for the time being in force), consent of the members be and is hereby accorded for the appointment of Statutory Auditor M/s. Sandeep Surendra Jain and Company, Chartered Accountants, bearing Firm Registration No. 010172C to hold the office from the conclusion of this Annual General Meeting till the conclusion of the Thirtieth Annual General Meeting, on a remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand only) per annum or as may be approved by the Audit Committee in consultation with the Auditors plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:
"RESOLVED THAT subject to the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013, if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and on the recommendation of Nomination and Remuneration committee and on subsequent approval of the Board, consent of the members of the company be and is hereby accorded to re-appoint Mr. Anil Gorani (Holding DIN- 00055540) as the Whole time Director of the Company for a period of 3 years w.e.f 1st April, 2020 to 31st March, 2023 on the monthly remuneration of Rs. 1,00,000.00 (Rupees One Lakh only) and will be liable to retire by rotation, and such retirement by rotation and reappointment shall not be deemed to constitute a break in his appointment as Whole Time Director of the company;
RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the appointment including that as to remuneration, perquisites and other benefits / amenities so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. Anil Gorani;
RESOLVED FURTHER THAT all the Directors of the Company be and are hereby authorized to sign and



submit all required documents, deeds and all other necessary things and to do all such acts, deeds, matters and things as he may in their sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto."

6. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of 196, 197, 198 of the Companies Act, 2013, read with Schedule V as amended from time to time to the said Act and the Companies (Appointments and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any (including any statutory modification or re-enactment thereof for the time being in force), and pursuant to recommendation of the Nomination and Remuneration Committee and on subsequent approval of the Board, consent of the members of the Company be and is hereby accorded to increase the remuneration payable to Mr. Anil Gorani, (Holding DIN-00055540) Whole Time Director of the Company upto 1,25,000.00 (Rupees One Lakh Twenty Five Thousand only) per month with effect from 1st September, 2020 on the same terms and conditions passed at the time of reappointment.

RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the appointment including that as to remuneration, perquisites and other benefits / amenities so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. Anil Gorani."

RESOLVED FURTHER THAT all the Directors of the Company be and are hereby authorized to sign and submit all required documents, deeds and all other necessary things and to do all such acts, deeds, matters and things as he may in their sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto."

7. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED THAT on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act, consent of the members of the Company be and is hereby accorded to re-appoint Ms. Komal Motwani-(Holding DIN:07302550) as an Independent Director of the Company, who meets the criteria for independence as provided in Section 149(6) of the Act, for the second term of five consecutive years with effect from 01st October, 2020 to 30th September, 2025 and she will not be liable to retire by rotation;

RESOLVED FURTHER THAT all the director of the company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto."

8. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals, permissions as may be required, consent of the members of the company be and is hereby accorded to enter into any contract and arrangements amounting to Rs. 5,00,00,000/- (Rupees Five Crore only) per annum for sale, purchase or supply of any goods or materials, availing or rendering of any services to/from M/s Gangotri Industries, a firm in which directors and relative of directors of the company are interested, for a period of three years i.e. 1st October, 2020 to 30th September, 2023 on such other terms and conditions as may be decided by the Directors of the company and agreeable to M/s. Gangotri Industries.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in



their sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto.”

9. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals, permissions as may be required, consent of the members of the company be and is hereby accorded to enter into any contract and arrangements amounting to Rs. 5,00,00,000/- (Rupees Five Crore only) per annum for sale, purchase or supply of any goods or materials, availing or rendering of any services to/from Blow Hot Kitchen Appliances Private Limited, a Private Limited company in which directors and their relatives of the company are interested, for a period of three years i.e. 1st

October, 2020 to 30th September, 2023 on such other terms and conditions as may be decided by the Directors of the company and agreeable to the company Blow Hot Kitchen Appliances Private Limited.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto.”

By Order of the Board
for Gorani Industries Limited

Date: 4th September, 2020
Place: Indore

Anil Gorani
Sd/-

(Holding DIN 00055540)
(Chairman cum Whole Time Director)



NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a pre-requisite, and pursuant to the Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 respectively issued by the Ministry of Corporate Affairs, Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, issued by the Securities and Exchange Board of India, physical attendance of the Members at this Annual General Meeting (AGM) is not required and the AGM can be held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and the said MCA circulars, the Twenty Fifth Annual General Meeting of the Company is being held through VC/ OAVM.
2. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (the Act), in respect of the Special Business to be transacted at the Meeting is annexed hereto and forms part of this Notice.
3. Electronic copy of the Notice for the AGM and the Annual Report for the financial year 2019-20 is being sent to all the Members whose e-mail ids are or to be registered upto the date of dispatch of this notice with the Company/Depository Participant(s). Dispatching of physical copies of the Financial Statements (including Board's Report, Auditors' Report, other documents required to be attached therewith), has been dispensed with in line with the aforementioned circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.
4. The Notice and the Annual Report is also available on the Company's website www.goraniindustries.com for download and at the websites of the BSE Ltd., where the Company's shares are listed. The AGM Notice is also disseminated on the website of Central Depository Services (India) Limited ("CDSL") (the agency appointed by the Company for providing the Remote e-voting facility, e-voting system during the AGM & the VC facility) i.e. www.evotingindia.com.
5. Members holding shares in electronic/demat mode and who have not got their e-mail addresses updated with the Depository Participants are requested to update their e-mail address and any changes there in through their Depository Participants. Members holding shares in physical mode are requested to update their e-mail address and mobile number, by sending e-mail quoting their Folio Number along with scanned copy of PAN (self attested scanned copy) or AADHAR (self attested scanned copy) to our Registrar and Share Transfer Agent, viz., Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in, and mark cc to Company: gorani.industires@yahoo.com. Also for any queries you may contact on 022-49186270.
6. To support the Green initiative announced by Government of India, Members are requested to get their email addresses registered in the manner specified above.
7. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of State or Body Corporate can attend the AGM through e-voting
8. Institutional/ Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution shall be send to the Scrutinizer by e-mail at csmanishjainoffice@gmail.com with a copy marked to gorani.industries@yahoo.com.
9. Members holding shares under multiple folios are requested to submit their applications to registrar and transfer Agent for consolidation of folios into a single folio.
10. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect



from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or M/s Link Intime India Private Limited (Registrar and Transfer Agent) for assistance in this regard.

SEBI vide Press Release dated 27th March, 2019 has clarified that the share transfer deed(s) once lodged prior to the deadline of 31st March, 2019 and returned due to deficiency in documents submitted, may be re-lodged for transfer.

11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s Link Intime India Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Registrar and Share Transfer Agents of the Company i.e. M/s Link Intime India Private Limited.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are having demat accounts. Members holding shares in physical form are requested to submit PAN details to the Company/Registrar.
13. Members are requested to submit their queries/requests for clarification, if any, on the Annual Report, Financial results or any other matters via email at gorani.industries@yahoo.com, mentioning their name, folio number/ demat account number, email id and mobile number, so as to reach the Company on or before 25th September, 2020, which will enable the Company to furnish replies at the AGM.
14. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the Directors are interested as maintained under Section 170 and Section 189 of the Act, respectively will be available for inspection by the Members at the AGM in pdf mode.
15. Relevant documents referred to in the notice are available for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and other holidays at any time during Business hours up to the date of the Annual General Meeting.
16. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive).
17. Members are requested to quote their Folio Number / Demat Account Number and contact details such as email address, contact number and complete address in all correspondence with the Company/Company's Registrar.
18. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.goraniindustries.com (under 'Investors' section). Members holding shares in physical form may submit the same to Link Intime India Private Limited. Members holding shares in electronic form may submit the same to their respective depository participant.
19. Since the AGM will be held through VC/OAVM, the Route map is not annexed in this notice.
20. The attendance of the members attending the AGM through VC/OAVM, will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
21. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
22. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the



SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 25th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

The facility for voting through electronic voting system shall be made available at the 25th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Board of Directors of the Company has appointed Manish Jain & Co., Practicing Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed September 23rd, 2020 (Wednesday) as the 'Cut-off Date'. The remote e-voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. September 23rd, 2020 only.

The instructions for shareholders for remote e-voting are as under:

- i. The voting period begins on Sunday on 27th September, 2020 at 09:00 A.M. and ends on Tuesday on 29th September, 2020 at 05:00 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 i.e. 23rd September, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders module.
- v. 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.

- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.



<p>Dividend Bank Details OR Date of Birth (DOB)</p>	<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"> 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 (v).
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- ix. After entering these details appropriately, click on "SUBMIT" tab.
 - x. 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.
 - xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xii. Click on the EVSN for the relevant <GORANI INDUSTRIES LIMITED> on which you choose to vote.
 - xiii. 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.
 - xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - xv. 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.
 - xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xix. 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, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - xx. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - xxi. 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, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- Other Instructions:
- I. The e-voting module shall be disabled by CDSL for



voting after 5.00 P.M. on 29th September, 2020. Members holding shares in physical or in demat form as on September 23rd, 2020 shall only be eligible for e-voting.

- II. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 23rd September, 2020.
- III. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cDSLindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/ her existing User ID and password for casting the vote.
- IV. CS Manish Jain, Practicing Company Secretary (Membership No: FCS 4651 CP No: 3049) (Address: 1st Floor, 236, Anoop Nagar, Indore (M.P.) 452008) has been appointed as the scrutinizer to conduct the e-voting process.
- V. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.goraniindustries.com and on the website of CDSL. The results shall simultaneously be communicated to BSE Limited where the shares of the Company are listed.
- VI. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make out a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- VII. The resolutions shall be deemed to be passed on the date of Annual General Meeting of the Company, subject to receipt of sufficient votes.
- VIII. You can also update your mobile number and Email Id in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting in future. The same may be used in case the Member forgets the password and the same need to be reset.

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

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
3. Shareholders are encouraged to join the Meeting through Laptops / I-Pads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at gorani.industries@yahoo.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile



number at (company email id). These queries will be replied to by the company suitably by email.

- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting

through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

- Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- Shareholders may contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542), for resolving their queries or any other issues before or during the AGM.

OTHER:

- As required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a brief profile of Director seeking appointment/re-appointment at ensuing Annual General Meeting is given:

Particulars	Nakul Gorani	Anil Gorani
Date of Appointment	20/03/2013	14/03/1995
Qualifications	Masters in Management	Graduate in B.E. electronics
Expertise in specific functional areas	Practical experience of Six years in Marketing, Management and is being associated with the Company from past Six years	More than 33 years of experience in the field of steel engineering industry, production and promotion of products
Relationship with Directors	None	None
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	NIL	NIL
Memberships / Chairmanships of committees of other listed companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL	NIL
Number of shares held in the Company (in case of non executive director)	NA	NA



Particulars	Komal Motwani
Date of Appointment	1st October, 2020
Qualifications	Graduate in Commerce and Company Secretary
Expertise in specific functional areas	She has rich experience in the Secretarial and legal field.
Relationship with Directors	None
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	NIL
Memberships / Chairmanships of committees of other listed companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL
Number of shares held in the Company (in case of non executive director)	0

2. Statement pursuant to Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
Brief Details of Statutory Auditor seeking re-appointment

Name of Statutory Auditors	M/s. Sandeep Surendra Jain and Company
Firm Registration Number	010172C
Proposed fees payable	Rs. 65,000/- (Rupees Sixty Five Thousand only) per annum or as may be approved by the Audit Committee in consultation with the Auditors plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit
Terms of Appointment	1. From 25th August, 2020 until the conclusion of this Annual General Meeting. 2. From the conclusion of this Annual General Meeting till the conclusion of the Thirtieth Annual General Meeting.
Any material change in the fees payable to the auditor from that paid to the outgoing auditor along with the rationale for such change.	There is no change to the Fees paid to the new auditor from that paid to the outgoing auditor.
Basis of recommendation for appointment including the details in relation to and credentials of the Statutory Auditors	The firm has a rich experience of approx 20 years and is engaged in providing comprehensive professional services which includes Audit & Assurance.



EXPLANATORY STATEMENT U/S 102(1) OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

Item No. 5 and 6

Mr. Anil Gorani (Holding DIN: 00055540) has been associated with the Company since its inception. He has more than 33 years of experience in the field of steel engineering industry, production and promotion of products. Under his directorship the Company has achieved extra-ordinary growth in performance in competitive environment

The Board of Directors of the Company at its meeting held on 07th February, 2020, on the recommendation of Nomination and Remuneration Committee and subject to approval of Shareholders in General Meeting has re-appointed Mr. Anil Gorani (Holding DIN-00055540) as Whole-time Director of the Company for a period of 3 years commencing from 1st April, 2020 to 31st March, 2023 on a monthly remuneration of Rs. 1,00,000.00 (Rupees One Lakh only) on the terms and conditions set out in the resolution.

Further, looking into the responsibilities shouldered upon Mr. Anil Gorani (Holding DIN: 00055540) the board in its meeting held on 25th August, 2020, on the recommendation of Nomination and Remuneration Committee, has increased his monthly remuneration from Rs. 1,00,000.00 (Rupees One Lakh only) to Rs. 1,25,000.00 (Rupees One Lakh Twenty Five Thousand only) w.e.f 01st September, 2020, subject to the approval of members in the Annual General meeting.

The broad information pursuant to Section - II of Part- II of Schedule V of the Companies Act, 2013, in respect of the resolution specified in item no. 5 and 6 is as under:

I. General Information

- The company is in the business of production and sales of Kitchen and Home appliances and Kitchenware manufacturing and retailing is one such sector within the overall household segment. Its main products are LPG stoves, induction cooker, gas geyser etc. carrying the brand name of Blowhot and Online.
- Date of commencement of commercial production: The commercial production of the company has already been started.
- The Company is not a new company hence this clause is not applicable.
- Financial Performance:

Particulars	Year ended on 31/03/2020	Previous Year ended on 31/03/2019
Sales (Net of Excise Duty)	21,43,11,719.00	20,41,52,957.00
Other Income	5,19,699.00	9,34,209.00
Gross profit	1,45,33,738.00	1,25,82,632.00
Finance Cost	26,58,558.00	19,46,040.00
Depreciation	28,67,421.00	24,21,196.00
Exceptional Items (charged to P&L account)	0.00	0.00
Net profit before Tax	90,07,759.00	82,15,396.00
Provision for Tax- Current Tax	23,78,956.00	15,17,950.00
MAT Credit	0.00	(6,09,593.00)
Deferred Tax	1,38,129.00	16,61,502.00
Net Profit after Tax	64,90,674.00	56,45,537.00

- The company does not have any foreign direct investment or collaboration. However, meager shares are held by NRI.

II. Information about the appointee:

1. Background

Mr. Anil Gorani (Holding DIN: 00055540), age 67 years, is a graduate in B.E. electronics and has more than 33 years of experience in the field of steel engineering industry, production and promotion of products.

Mr. Anil Gorani (Holding DIN: 00055540), appointee, will attain the age of 70 years during his tenure. Mr. Gorani presently is in good health and his exemplary management skills and profound knowledge of Kitchen appliances have taken the Company to great heights. He has rich and varied experience in the industry and has been involved in the operations of the Company. The business of the company has grown many folds in his tenure. Therefore, it will be in the interest of the Company to have him as the Whole-time Director on the terms and condition as set out in the resolution.

- A comparison of past remuneration and the proposed remuneration is given below:

Particulars	Existing remuneration	remuneration w.e.f. 01/04/2020	Remuneration w.e.f. 01/09/2020
Basic Salary	Rs. 1,00,000/- Per Month	Rs. 1,00,000/- Per Month	Rs. 1,25,000/- Per Month
Allowances and perquisites	As decided by Board from time to time	As decided by Board from time to time	As decided by Board from time to time



- 3. Recognition and Awards: NIL
- 4. Job profile and his suitability –Mr. Anil Gorani, was looking after the entire management of the company and successfully got the company at this stage of operations. Taking into consideration his past experience he has been considered to be eminently suitable for re-appointment as Whole-time Director.
- 5. Remuneration proposed - As set out in the resolution in item no. 5 and 6. The remuneration of Whole-time Director has the approval of the Nomination and Remuneration Committee.
- 6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person - Taking into consideration the size of the Company and the profile of Mr. Anil Gorani, the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.
- 7. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any – Mr. Anil Gorani is Whole-time Director of the company. He also holds 5,53,300 (Five Lakh Fifty Three Thousand Three Hundred) equity shares of Rs.10/- each. He does not have any other pecuniary relationship with the Company. Further, Mr. Anil Gorani is not related with any other managerial personnel and Directors of the company.
- 8. During the year, Mr. Anil Gorani has attended all 6 (Six) Board Meetings of the Company.
- 9. Directorship in other Companies

S. No.	Name of the Company
1.	Blow Hot Kitchen Appliances Private Limited
2.	Indore Paper Krafters Private Limited

III. Other Information:

- 1. Reason of loss or inadequate profits: To increase the turnover of the company the management kept the profit margin on a lower side.
- 2. Steps taken for improvement: The Company is making all possible efforts to increase its profitability in future by increasing profit margin and cost cutting.

- 3. Expected increase in productivity and profits in measurable terms: The Company is hopeful that within coming year's profit margin will increase.

IV. Disclosures:

- 1. The Shareholders of the Company shall be informed of the remuneration package of the managerial person: Yes
- 2. The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any attached to the annual report: Not Applicable.

Mr. Anil Gorani is not disqualified from being appointed as a Director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given his consent for the said appointment.

Requisite Letter under Section 160 of the Companies Act, 2013 proposing the re-appointment of Mr. Anil Gorani has been received by the Company.

The Board of Directors recommends the resolutions for your approval as set out under item no. 5 as Special Resolution and item no. 6 as an Ordinary Resolution.

Except Mr. Anil Gorani and their relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 5 and 6.

ITEM NO. 7

Ms. Komal Motwani- (Holding DIN:07302550), age 27 years, is an Independent Director of the Company since 01st October, 2015, appointed in the Board meeting held on 01st October, 2015 and approved by the shareholders in the Annual General Meeting held on 30th September, 2016.

Ms. Komal Motwani- (Holding DIN:07302550) is a qualified company secretary (Member of the Institute of Company Secretaries of India) and have rich experience of approx 4.5 years in legal and Secretarial matters.

Declaration has been received from Ms. Komal Motwani- that she meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Board is of the opinion that she fulfils the conditions specified in the Act, Schedule IV and the Rules made there under for re-appointment as an Independent Director and that she is independent of the management of the Company.

Requisite Notices under Section 160 of the Companies Act, 2013 proposing the re-appointment of Ms. Komal Motwani- has been received by the Company.



Copy of the draft letter for appointment of Ms. Komal Motwani- as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Out of 6(Six) meetings of the Board of Directors held during the year 2019-20, 5(Five) Board meetings of the Company were attended by her. Neither has she held any equity share in the Company nor Directorships in any other Companies.

As per the Evaluation report, she had rendered independent, unbiased opinion to the Board. During her tenure as an Independent Director she had actively monitored the performance of the Management on both tactical and strategic plans. He had provided new ideas and planning for the growth of the Company.

On the recommendation of Nomination and Remuneration committee and the performance evaluation report, the Board is of the view that the continued association of Ms. Komal Motwani- would be in the beneficial interest of the Company.

In view of her enriched experience and appreciable contribution, the approval of members by way of special resolution is being sought to re-appoint Ms. Komal Motwani- as a Non Executive Independent Director of the Company for a second term of five consecutive years with effect from 01st October, 2020 to 30th September, 2025, not liable to retire by rotation.

Ms. Komal Motwani- is not disqualified from being appointed as a Director in terms of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given her consent for the said appointment.

Except Ms. Komal Motwani-, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 7.

The Board of Directors recommends the resolutions for your approval as set out under item no. 7 as Special Resolution.

Item No. 8

As per Section 188 (1) of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rules, 2014 as amended from time to time, the Board of Directors of the Company at their meeting held on 25th August, 2020 has given their consent to enter into contract or arrangement with the related party for sale, purchase or supply of any goods or materials, availing or rendering of any services for which prior approval has been granted by the Audit Committee under Section 177 of the Companies Act, 2013 and rules made thereunder. Further, first proviso to sub

section (1) of Section 188 read with rules made thereunder provides that, if the company exceeds the prescribed criteria, prior approval of members by way of ordinary resolution is required to enter into contract or arrangement with the related party for sale, purchase or supply of any goods or materials, availing or rendering of any services.

Our Company may exceed the prescribed criteria provided in first proviso to sub section (1) of section 188 read with rules made thereunder, it is therefore necessary to pass an ordinary resolution under Section 188 of the Companies Act, 2013, for entering into any contract or arrangements for sale, purchase or supply of any goods or materials, availing or rendering of any services to/from M/s. Gangotri Industries, a firm in which the directors of the company and their relatives are interested, for a period i.e. 1st October, 2020 to 30th September, 2023, amounting to Rs. 5,00,00,000/- (Rupees Five Crore only) per annum.

The following particulars of the above mentioned Related Party Transactions are:

- a) Name of Related Party- M/s. Gangotri Industries.
- b) Name of the Director or KMP who is related, if any- Mr. Sanjay Gorani (Holding DIN: 00055531), Managing Director and Mr. Nakul Gorani (Holding DIN- 06543317), Whole-Time Director of the Company.
- c) Nature of relationship- Proprietor of M/s. Gangotri Industries i.e Mr. Narendra Gorani is relative of Directors of the Company.
- d) Nature, Material, terms, monetary value and particulars of Contract or arrangement- sale, purchase or supply of any goods or materials, availing or rendering of any services for a period commencing from 1st October, 2020 to 30th September, 2023, amounting to Rs. 5,00,00,000/- (Rupees Five Crore only) per annum.
- e) Any other information relevant or important for the members to take decision on the proposed resolution- Nil

The Board of Directors of the Company recommends the Resolution set out at Item No. 8 for passing by members as ordinary resolution.

Mr. Sanjay Gorani (Holding DIN: 00055531), Managing Director and Mr. Nakul Gorani (Holding DIN- 06543317), Whole-Time Director and their relatives, are concerned or interested in the resolution. No any other directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution.

Item No. 9

As per Section 188 (1) of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rules, 2014



as amended from time to time, the Board of Directors of the Company at their meeting held on 25th August, 2020 has given their consent to enter into contract or arrangement with the related party for sale, purchase or supply of any goods or materials, availing or rendering of any services for which prior approval has been granted by the Audit Committee under Section 177 of the Companies Act, 2013 and rules made thereunder. Further, first proviso to sub section (1) of Section 188 read with rules made thereunder provides that, if the company exceeds the prescribed criteria, prior approval of members by way of ordinary resolution is required to enter into contract or arrangement with the related party for sale, purchase or supply of any goods or materials, availing or rendering of any services.

Our Company may exceed the prescribed criteria provided in first proviso to sub section (1) of section 188 read with rules made thereunder, it is therefore necessary to pass an ordinary resolution under Section 188 of the Companies Act, 2013, for entering into any contract or arrangements for sale, purchase or supply of any goods or materials, availing or rendering of any services to/from Blow Hot Kitchen Appliances Private Limited, a Private limited company in which the directors of the company and their relatives are interested, for a period i.e. 1st October, 2020 to 30th September, 2023, amounting to Rs. 5,00,00,000/- (Rupees Five Crore only) per annum.

The following particulars of the above mentioned Related Party Transactions are:

- Name of Related Party- Blow Hot Kitchen Appliances Private Limited
- Name of the Director or KMP who is related, if any- Mr. Sanjay Gorani (Holding DIN: 00055531), Managing Director, Mr. Anil Gorani (Holding DIN: 00055540), Whole time Director and Mr. Nakul Gorani (Holding DIN-06543317), Whole-Time Director of the Company
- Nature of relationship- A Private Limited Company in which Directors and their relatives are member or director.
- Nature, Material, terms, monetary value and particulars of Contract or arrangement- sale, purchase or supply of any goods or materials, availing or rendering of any services for a period commencing from 1st October, 2020 to 30th September, 2023, amounting to Rs. 5,00,00,000/- (Rupees Five Crore only) per annum.
- Any other information relevant or important for the members to take decision on the proposed resolution- Nil

The Board of Directors of the Company recommends the Resolution set out at Item No. 9 for passing by members as ordinary resolution.

Mr. Sanjay Gorani (Holding DIN: 00055531), Managing Director, Mr. Anil Gorani (Holding DIN: 00055540) Whole-time Director and Mr. Nakul Gorani (Holding DIN- 06543317), Whole-Time Director and their relatives, are concerned or interested in the resolution. No any other directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution.

Further, the extent of shareholding of interested directors and promoters of the Company in Blow Hot Kitchen Appliances Private Limited is as follows:

S. No.	Name of Director/ Promoter/KMP	Shareholding	Shareholding (in percentage)
1.	Mrs. Shanta Devi Gorani	2300	9.2%
2.	Mr. Sanjay Gorani	4810	19.24%
3.	Mr. Narendra Kumar Gorani	1710	6.84%
4.	Mr. Anil Gorani	4350	17.4%
5.	Mrs. Hema Gorani	4500	18%

By Order of the Board
for Gorani Industries Limited

Date: 04th September, 2020
Place: Indore

Anil Gorani
Sd/-
(Holding DIN 00055540)
(Chairman cum Whole Time Director)

Contact Details :

Company	Gorani Industries Limited Registered Office: Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore-452015 (M.P.) Tel No: 0731-2723201-3 Email id: gorani.industries@yahoo.com CIN: L28121MP1995PLC009170
Registrar and Share Transfer Agent	M/s Link Intime India P. Ltd. C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400083 Tel: 022- 49186000, Fax: 022- 49186060 Email Id: rnt.helpdesk@linkintime.co.in
E-voting Agency	Central Depository Services (India) Ltd Email id: helpdesk.evoting@cdslindia.com
Scrutinizer	CS Manish Jain Practicing Company Secretary Email Id: manishjainandco@yahoo.com



BOARD'S REPORT

To,
The Members,
Gorani Industries Limited

Your Directors have great pleasure in presenting herewith the Twenty Fifth Annual Report of your Company together with the audited financial statement for the financial year ended on 31st March, 2020.

1. FINANCIAL RESULTS: (Amount in Lacs)

Particulars	2019-20		2018-19	
Total Revenue		2148.31		2050.87
Profit before Finance Cost, Depreciation & Amortization Expense	-	145.34	-	125.82
Less:				
Finance Costs	26.59		19.46	
Depreciation & Amortization expense	28.67	55.26	24.21	43.67
Net Profit/(Loss) before extra ordinary & exceptional items & tax	-	90.08	-	82.15
Tax Expense				
Current Tax	23.79	-	15.18	-
MAT Credit	-		(6.09)	
Deferred Tax	1.38	25.17	16.61	25.7
Net Profit/ (Loss) after tax before Other Comprehensive Income		64.91		56.45
Add :				
Comprehensive Income	(7.15)	(7.15)	6.14	6.14
Net Profit	-	57.76	-	62.59
Transfer to Reserve		0.00		0.00

INDIAN ACCOUNTING STANDARD (Ind AS):

As mandated by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 with a transition date of April 1, 2016. The financial statements of the Company for the financial year 2019-20 have been prepared in accordance with Ind AS, prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other recognized accounting practices and policies to the extent applicable.

2. PERFORMANCE AND THE STATE OF COMPANY'S AFFAIRS:

Your Company has achieved total revenue of Rs. 2148.31 lakh during the year ended 31st March, 2020 as against that of Rs. 2050.87 lakh during the previous year ended 31st March, 2019, with a rise of 4.75% as compared to previous year. The company has earned net profit of Rs. 57.76 Lakh during the financial year against net profit of Rs. 62.59 Lakh in the previous year. The profit for the year is adjusted against the previous years' losses.

The company is in the business of production and sales of kitchen and home appliances since 1996. Its main products are LPG stoves, steel frames, gas geyser, rangehood chimney etc. carrying the brand name of Blowhot. It does its business through a strong network of dealer and distributors all over central, south and north India. The company is in the process of implementing strategies to capitalize available opportunities.

During the year, there was no change in the nature of business of the Company.

3. MATERIAL CHANGES AND COMMITMENTS THAT AFFECTED THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE TILL THE DATE OF THIS REPORT

COVID-19 has set foot in India and across the globe and it has led the country towards a major slowdown. The major health crisis had forced the government to take unprecedented measures to protect people's lives. In a bid to combat the COVID-19 threat, the nationwide lockdown in India was first announced by the Government of India on March 24, 2020 which was further extended in a phased manner.

The impact of COVID-19 has disrupted the operations of the Company. The lockdown across the country has resulted in loss of business and temporary pressure on cash flows/ liquidity/profitability/margins due to lower collection of receivables, operating expenses, payment obligations towards vendors and statutory authorities, etc. However, the management of the Company is confident that the business operations will pick up progressively.



4. LISTING ON STOCK EXCHANGES

The Company shares are listed on BSE Limited and necessary listing fees have been paid upto date.

5. CAPITAL STRUCTURE

There is no change in the Capital structure of the company. The paid up Equity share capital of the Company as on 31st March, 2020 is Rs. 4,87,51,000.00 divided into 4875100 equity shares of Rs. 10.00 each.

6. TRANSFER TO RESERVE, IF ANY

During the year, the Company does not propose to transfer any amount to the any Reserve.

7. DIVIDEND:

To conserve the resources of the company and for better utilization of funds, your directors are not recommending any dividend for the year.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) who was appointed as an Additional Independent Director w.e.f. 05th October, 2018 and Ms. Raina Goyal (Holding DIN: 08295368) who was appointed as an Additional Non-executive Director w.e.f 01st January, 2019 was confirmed as an Independent Director and Non-executive Director respectively, at the Annual General Meeting held on 27th September, 2019.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under Sub-Section (6) of Section 149 of the Companies Act, 2013. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct for Board of Directors. Further, all the Directors have also confirmed that they are not debarred to act as a Director by virtue of any SEBI order.

All Independent Directors of the Company have valid registration in the Independent Director's data bank of Indian Institute of Corporate Affairs as required under Rule 6(1) of the Companies (Appointment and Qualification of Director) Fifth Amendment Rules, 2019.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

9. RE-APPOINTMENT

As per the provision of Companies Act, 2013, Mr. Nakul Gorani (Holding DIN- 06543317) Whole-time Director, retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

During the year, in the Annual general meeting held on 27th September, 2019 has re-appointed Mr. Sanjay Gorani (Holding DIN: 00055531) as Managing Director of the Company for a period of 3 years w.e.f 1st June, 2019 to 31st May, 2022 and Mr. Nakul Gorani (Holding DIN: 06543317) as the Whole time Director of the Company for a period of 3 years w.e.f 1st June, 2019 to 31st May, 2022.

The Board of Directors on recommendation of the Nomination and Remuneration Committee re-appointed Mr. Anil Gorani (Holding DIN- 00055540) as Whole-time Director for a period of 3 years w.e.f 1st April, 2020 to 31st March, 2023 and proposes to appoint Ms. Komal Motwani -(Holding DIN: 07302550) as an Independent Director for the second term of five consecutive years with effect from 01st October, 2020 to 30th September, 2025 of the Company, subject to approval of the members of the Company.

The Board is of the opinion that Independent Director, Ms. Komal Motwani -(Holding DIN: 07302550), upheld ethical standards of integrity and probity and is a qualified Company Secretary (Member of the Institute of Company Secretaries of India) and have rich experience of approx 4.5 years in legal and Secretarial matters.

Further, Ms. Komal Motwani has passed the online proficiency self-assessment test as required to be undertaken by an Independent Director under the provisions of Section 150 of the Companies Act, 2013 and the rules framed thereunder.



10. NOMINATION AND REMUNERATION POLICY AND OTHER DETAILS:

The Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act. The policy of the Company on Directors appointment and remuneration including criteria for determining qualification, positive attribute, independence of director and other matters, as required under sub-section (3) of section 178 of the Companies Act 2013 is available on Company's website at the link: <http://www.goraniindustries.com/investors/>.

There has been no change in the policy since last fiscal year. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the company.

The nomination and remuneration policy is annexed herewith as Annexure-I to this Boards' Report.

There is no pecuniary relationship or transactions between the Company and the non-executive directors other than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

11. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, is annexed as Annexure-II which forms an integral part of this Report and is also available on the Company's website viz <http://www.goraniindustries.com/investors/>.

12. AUDITORS AND THEIR REPORT

M/s. Sneha Sarda & Company, Chartered Accountants, was appointed as Statutory Auditors of the Company in 22nd Annual General Meeting held on 29th September, 2017, to hold office for a period of five consecutive financial years from the conclusion of Twenty Second Annual General Meeting till the conclusion of Twenty Seventh Annual General Meeting. However, Ms. Sneha Mantri proprietor of M/s Sneha Sarda & Company, has tender her resignation as the Statutory Auditors of the Company, expressing her inability to continue as a Statutory

Auditor for the remaining tenure, resulting in a casual vacancy in the office of the Auditors of the Company w.e.f. 21st August, 2020

In accordance with provisions of the Companies Act, 2013 the Board has recommended to the members for the appointment of M/s. Sandeep Surendra Jain and Company, Chartered Accountants, Indore, bearing Firm Registration No. 010172Cas the Statutory Auditors of the Company:

- a) to fill the casual vacancy caused by the resignation of M/s. Sneha Sarda & Company, Chartered Accountant, to hold the office of the Statutory Auditors upto the conclusion of this Annual General Meeting; and
- b) for a period of five years from the conclusion of the 25th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company.

M/s Sandeep Surendra Jain and Company, Chartered Accountants, Indore, has confirmed their eligibility to act as the Statutory Auditors of the Company

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark, except the observation: That there was a delay in depositing the Provident Fund, Employees State Insurance (ESI) dues for few months.

Explanation of above observation: In this connection the board has explained that delay in filing was due to the technical difficulties generally experienced by the industries in generating Universal account number (UAN) of some of the employees.

13. INTERNAL AUDITOR

M/s Navin Sapna & Co., Chartered Accountants (bearing firm registration no. 010507C) have been appointed as an Internal Auditor of the Company w.e.f. 1st April, 2017 in the Board Meeting held on 30th May, 2017.

14. SECRETARIAL AUDIT:

M/s. Manish Jain & Co., Practicing Company Secretaries has been appointed to conduct the



secretarial audit of the Company for the financial year 2020-21 in the Board Meeting held on 28th July, 2020.

The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith as Annexure III to this Report. The report is self explanatory and does not call for any further comments except:

Observation:

1. The Company could not produce before us the following returns:
 - i. Form-27 (Annual Return) and Form-28 (half-yearly return) under Factories Act, 1948.
 - ii. Form III (Annual Return) under Minimum Wages Act, 1948.
 - iii. Form IV (Annual Return) under The Payment of Wages Act, 1936
 - iv. Form-D i.e. Annual Return of Payment of Bonus under the Payment of Bonus Act, 1965
2. During the period under review, there is delay in depositing the Provident Fund, ESIC dues for few months.

The board clarified that delay in filing above returns was mainly due to technical glitches faced at respective portals or sites, however the same have been filed as on date.

15. ANNUAL EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, its Committees, and individual directors pursuant to the provisions of the Companies Act, 2013.

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

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

The Board and the Nomination and Remuneration Committee reviewed the performance of individual

directors on the basis of 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 a separate meeting of independent directors, performance of non-independent directors and the Board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The Board of Directors expressed their satisfaction with the evaluation process.

16. RELATED PARTY TRANSACTIONS

The Contracts or arrangements entered into by the Company are in accordance with provisions of Section 188 of the Companies Act, 2013 during the year under review and were in ordinary course of business and on arm's length basis.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - are set out in Note-27 to the Standalone Financial Statements of the Company.

There are no materially significant related parties transactions entered into by the Company, which may have a potential conflict with the interest of the Company at large.

Further details have been given in the prescribed Form AOC-2 annexed herewith as Annexure IV.

The policy on Related Party Transactions as approved by the Board may be accessed on Company's website at the link: <http://www.goraniindustries.com/investors/>

17. CORPORATE GOVERNANCE

Regulation 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.



18. MEETINGS

A. BOARD MEETINGS

During the year 2019-20, 6 (Six) Board Meetings were held on 28th May, 2019, 07th August, 2019, 25th September, 2019, 22nd October, 2019, 08th November, 2019 and 07th February, 2020.

Name of Director	No. of Board Meeting entitled to attend	No. of Board Meeting attended	Attendance at last Annual General Meeting
Mr. Sanjay Gorani	6	6	Yes
Mr. Anil Gorani	6	6	Yes
Mr. Nakul Gorani	6	6	Yes
Ms. Komal Motwani	6	5	Yes
Mr. Vikram Rajkumar Khandelwal	6	6	Yes
Ms. Raina Goyal	6	6	Yes

B. AUDIT COMMITTEE MEETING

During the financial year 2019-20, 4 (Four) Audit Committee Meetings were held on 27th May 2019, 07th August, 2019, 08th November, 2019 and 07th February, 2020.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Ms. Komal Motwani	4	4
Mr. Vikram Rajkumar Khandelwal	4	4
Ms. Raina Goyal*	4	4

C. NOMINATION AND REMUNERATION COMMITTEE MEETINGS

During the financial year 2019-20, 2 (two) meetings of the Nomination and Remuneration Committee were held on 06th February, 2020 and 16th March, 2020

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Ms. Komal Motwani	2	2
Mr. Vikram Rajkumar Khandelwal	2	2
Ms. Raina Goyal*	2	2

D. STAKEHOLDER RELATIONSHIP COMMITTEE MEETINGS

During the financial year 2019-20, 5 (Five) Stakeholder Relationship Committee Meetings were held on 11th April, 2019, 17th July, 2019, 19th August 2019, 01st November, 2019 and 20th January, 2020

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Ms. Komal Motwani	5	5
Mr. Vikram Rajkumar Khandelwal	5	5
Ms. Raina Goyal*	5	5

19. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year no company have become or ceased to be its subsidiaries, joint ventures or associate companies.

20. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANY:

During the period under review, the Company doesn't have any subsidiary, joint ventures and associate Companies.

21. SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO CONSERVATION OF ENERGY:

The information relating to conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with the with Rule 8 of The Companies (Accounts) Rules, 2014 is given in Annexure V forming part of this report.

23. REMUNERATION RATIO AND OTHER DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and



Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors/ KMP of the Company are furnished in Annexure VI.

No employees in the Company have been paid remuneration in excess of the limits prescribed under section 197 of The Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

24. CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee, as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

25. DISCLOSURES:

AUDIT COMMITTEE

The current composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 The Audit Committee comprises of three Directors namely Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) (Chairman), Ms. Komal Motwani (Holding DIN: 07302550) (member) and Ms. Raina Goyal(Holding DIN: 08295368) (member). All the recommendations made by the Audit Committee were accepted by the Board.

VIGIL MECHANISM

The Vigil Mechanism of the Company is in terms of Companies Act, 2013, to deal with instance of fraud and mismanagement, if any. The Policy on vigil mechanism may be accessed on the Company's website at the link <http://www.goraniindustries.com/investors/>.

26. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the financial year ended on March 31, 2020

and of the profit of the Company for that period;

- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

28. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

The company has framed the Risk Management Policy which highlights the Company's practices and risk management framework for the identification and management of uncertainty. The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has implemented a Risk Management Framework for the management and oversight of material risks and internal control. The Risk Management Framework is designed to address risks that have been identified to have a material impact on the Company's business and to ensure that the Board regularly reviews the risk management and oversight policies.



29. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has adequate system of management-supervised internal control, which is aimed at achieving efficiency in operations, optimum utilization of resources, effective monitoring and compliance with all applicable laws. These ensure that all corporate policies are strictly adhered to an absolute transparency is followed in accounting and all its business dealings.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The company ensures adherence to all internal control policies and procedures. A qualified and independent audit committee of the Board, comprising the independent directors reviews the adequacy of internal control.

The report on Internal Financial Control has also been annexed with the financial statements of the Company as provided by the Statutory Auditor of the Company.

30. COST RECORDS

Maintenance of cost records as specified by Central Government under sub section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company.

31. SEXUAL HARASSMENT

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has complied with the Constitution of Internal Compliant Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

32. GENERAL

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

1. Details of particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013.

2. Details relating to deposits covered under Chapter V of the Act.
3. Issue of equity shares with differential rights as to dividend, voting or otherwise.
4. Issue of shares (including sweat equity shares) to employees of the Company under any Employee Stock Option Scheme.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any commission.
6. Separate Section containing a Report on performance and Financial Position of each of Subsidiaries, Associated & Joint Ventures included in the Consolidated Financial Statement of the Company.
7. The Auditors of the Company have not reported any fraud as specified under second proviso of Section 143 (12) of the Companies Act, 2013.
8. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
9. Voluntary revision as per Section 131 of the Companies Act, 2013.

33. ACKNOWLEDGEMENT:

The Board wishes to place on record their gratitude for the co-operation being received from the Banks, Share Transfer Agent, Stock Exchanges, Shareholders, customers, staff and workers of the Company and thank them for their continued support.

By Order of the Board

Anil Gorani

Sd/-

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place: Indore

Date: September 4, 2020

Regd. Office :

Plot No. 32-33, Sector-F,

Sanwer Road, Industrial Area,

Indore-452015 (M.P.)

ANNEXURE I

NOMINATION AND REMUNERATION POLICY

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

- i. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vi. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

- i. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii. Board means Board of Directors of the Company.
- iii. Directors mean Directors of the Company.
- iv. Key Managerial Personnel as per the Act.
- v. Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

- i. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

- ii. Policy for appointment and removal of Director, KMP and Senior Management

1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.



2. Term / Tenure
 - a) Managing Director/Whole-time Director :

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
 - b) Independent Director :
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
 - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.
3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).
4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.
- iii. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel
 1. General :
 - a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
 - b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions as per the provisions of the Act.
 - c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:
 - a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
 - b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
 - c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
3. Remuneration to Non- Executive / Independent Director:
 - a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.
 - b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
4. COMMITTEE MEMBERS' INTERESTS
 - A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
 - The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.
5. VOTING
 - Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
 - In the case of equality of votes, the Chairman of the meeting will have a casting vote.
6. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

 - Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
 - Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
 - Identifying and recommending Directors who are to be put forward for retirement by rotation.
 - Determining the appropriate size, diversity and composition of the Board; Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

7. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members of the Committee.
- to consider any other matters as may be requested by the Board.



FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

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

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

I. REGISTRATION AND OTHER DETAILS:

i. CIN	L28121MP1995PLC009170
ii. Registration Date	14/03/1995
iii. Name of the Company	Gorani Industries Limited
iv. Category / Sub-Category of the Company	Public Company/Limited by shares
v. Address of the Registered office and contact details	32-33, Sector-F, Sanwer Road, Indore (M.P.)-452015, Tel: 0731-2723201-03
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083 Phone: +91 022 49186000

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	LPG Stoves	2750	39.06%
2.	Gas Geysers	2750	39.79%
3.	Rangehood (Chimney)	2750	16.91%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	N.A.				

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

i) Category-wise Share Holding



Category of Shareholders	No. of Shares held at the beginning of the year 2019				No. of Shares held at the end of the year 2020				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2477600	0	2477600	50.8215	2712300	0	2712300	55.6358	4.8143
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1):-	2477600	0	2477600	50.8215	2712300	0	2712300	55.6358	4.8143
(2) Foreign									
a) NRIs –Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+ (A)(2)	2477600	0	2477600	50.8215	2712300	0	2712300	55.6358	4.8143
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	97800	0	97800	2.0061	74104	0	74104	1.5201	-0.4860
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	97800	0	97800	2.0061	74104	0	74104	1.5201	-0.4860



Category of Shareholders	No. of Shares held at the beginning of the year 2019				No. of Shares held at the end of the year 2020				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	848883	1000	849883	17.4331	845325	1000	846325	17.3602	-0.0729
a) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	213496	662500	875996	17.9688	253072	615200	868272	17.8103	-0.1585
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	110452	442500	552952	11.3424	314736	39500	354236	7.2662	-4.0762
c) Other (specify)									
Clearing member	5806	0	5806	0.1191	0	0	0	0	-0.1191
Non Resident Indians (Repat)	2257	0	2257	0.0463	2257	0	2257	0.0463	0
Non Resident Indians (Non-Repat)	302	0	302	0.0062	302	0	302	0.0062	0
Hindu Undivided Family	12504	0	12504	0.2565	17304	0	17304	0.3549	0.0984
Sub-total (B)(2):-	1193700	1106000	2299700	47.1724	1432996	655700	2088696	42.8442	-4.3282
Total Public shareholding (B)= (B)(1)+(B)(2)	1291500	1106000	2397500	49.1785	1507100	655700	2162800	44.3642	-4.8143
C. Shares held by Custodian for GDRs & ADRs	0.00	0	0	0.00	0.00	0	0	0.00	0
Grand Total (A+B+C)	3769100	1106000	4875100	100.00	4219400	655700	4875100	100.00	



ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (1st April, 2019)			Share holding at the end of the year (31st March, 2020)			% change in share holding during the year*
		No. of Shares of the Company	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares of the Company	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Narendra Kumar Gorani	801800	16.4468	0.00	801800	16.4468	0.00	0.00
2.	Sanjay Gorani	649300	13.3187	0.00	879300	18.0366	0.00	4.7179
3.	Anil Gorani	548600	11.2531	0.00	553300	11.3495	0.00	0.0964
4.	Shanta Devi Gorani	285200	5.8501	0.00	285200	5.8501	0.00	0.00
5.	Balkishan Gorani	150100	3.0789	0.00	150100	3.0789	0.00	0.00
6.	Manju Gorani	40100	0.8225	0.00	40100	0.8225	0.00	0.00
7.	Hema Gorani	2500	0.0513	0.00	2500	0.0513	0.00	0.00
	Total	2477600	50.8215	0.00	2712300	55.6358	0.00	4.8143

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

Sl. No.		Shareholding at the beginning of the year 2019		Cumulative Shareholding during the year 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Narendra Kumar Gorani	801800	16.4468	801800	16.4468
	Increase/Decrease in shareholding during the year				
	At the end of the year	801800	16.4468	801800	16.4468
2.	Sanjay Gorani	649300	13.3187	649300	13.3187
	Purchase of shares on 30/08/2019	230000	4.7178	879300	18.0366
	At the end of the year	879300	18.0366	879300	18.0366
3.	Anil Gorani	548600	11.2531	548600	11.2531
	Purchase of shares on 21/06/2019	4700	0.0964	553300	11.3495
	At the end of the year	553300	11.3495	553300	11.3495



Sl. No.		Shareholding at the beginning of the year 2019		Cumulative Shareholding during the year 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Shanta Devi Gorani	285200	5.8501	285200	5.8501
	Increase/Decrease in shareholding during the year				
	At the end of the year	285200	5.8501	285200	5.8501
5.	Balkishan Gorani	150100	3.0789	150100	3.0789
	Increase/Decrease in shareholding during the year				
	At the end of the year	150100	3.0789	150100	3.0789
6.	Manju Gorani	40100	0.8225	40100	0.8225
	Increase/Decrease in shareholding during the year				
	At the end of the year	40100	0.8225	40100	0.8225
7.	Hema Gorani	2500	0.0513	2500	0.0513
	Increase/Decrease in shareholding during the year				
	At the end of the year	2500	0.0513	2500	0.0513



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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Online Appliances LLP				
	(Online Appliances Limited converted to LLP)				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Increase/Decrease in shareholding during the year	840600	17.2427	840600	17.2427
	(Online Appliances Limited converted to LLP)				
	At the end of the year (or on the date of separation, if separated during the year)	840600	17.2427	840600	17.2427
2.	Madhya Pradesh Financial Corporation				
	At the beginning of the year	97800	2.0061	97800	2.0061
	Sale of shares on 05/04/2019	(2000)	(0.4102)	95800	1.9651
	Sale of shares on 12/04/2019	(1)	0.00	95799	1.9651
	Sale of shares on 07/06/2019	(4874)	(0.0999)	90925	1.8651
	Sale of shares on 02/08/2019	(5000)	(0.1025)	85925	1.7625
	Sale of shares on 09/08/2019	(1170)	(0.0239)	84755	1.7385
	Sale of shares on 23/08/2019	(2000)	(0.4102)	82755	1.6975
	Sale of shares on 30/08/2019	(2000)	(0.4102)	80755	1.6565
	Sale of shares on 06/09/2019	(1050)	(0.0215)	79705	1.6349
	Sale of shares on 13/09/2019	(500)	(0.0102)	79205	1.6247
	Sale of shares on 01/11/2019	(2001)	(0.0410)	77204	1.5836
	Sale of shares on 22/11/2019	(1100)	(0.0225)	76104	1.5611
	Sale of shares on 31/01/2020	(1000)	(0.0205)	75104	1.5406
	Sale of shares on 07/02/2020	(1000)	(0.0205)	74104	1.5201
	At the end of the year (or on the date of separation, if separated during the year)	74104	1.5201	74104	1.5201
3.	Bhupendra Singh Chouhan				
	At the beginning of the year	0	0	0	0
	Purchase of shares on 21/02/2020	50000	1.0256	50000	1.0256
	At the end of the year (or on the date of separation, if separated during the year)	50000	1.0256	50000	1.0256



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Pradeep Tayde				
	At the beginning of the year	0	0	0	0
	Purchase of shares on 21/02/2020	50000	1.0256	50000	1.0256
	At the end of the year (or on the date of separation, if separated during the year)	50000	1.0256	50000	1.0256
5.	Akhilesh Choudhary				
	At the beginning of the year	0	0	0	0
	Purchase of shares on 21/02/2020	48000	0.9846	48000	0.9846
	At the end of the year (or on the date of separation, if separated during the year)	48000	0.9846	48000	0.9846
6.	Durgprasad Somisetti				
	At the beginning of the year	0	0	0	0
	Purchase of shares on 21/06/2019	1840	0.0377	1840	0.0377
	Purchase of shares on 29/06/2019	141	0.0028	1981	0.0406
	Purchase of shares on 05/07/2019	440	0.0090	2421	0.0497
	Sale of shares on 19/07/2019	(45)	(0.0009)	2376	0.0487
	Purchase of shares on 26/07/2019	40	0.0008	2416	0.0496
	Purchase of shares on 02/08/2019	4467	0.9162	6883	0.1412
	Purchase of shares on 09/08/2019	1900	0.3897	8783	0.1802
	Sale of shares on 16/08/2019	(50)	(0.0010)	8733	0.1791
	Purchase of shares on 23/08/2019	1925	0.0395	10658	0.2186
	Purchase of shares on 30/08/2019	1996	0.0409	12654	0.2596
	Purchase of shares on 06/09/2019	985	0.0202	13639	0.2798
	Purchase of shares on 13/09/2019	468	0.0096	14107	0.2894
	Sale of shares on 20/09/2019	(5)	(0.0001)	14102	0.2893
	Purchase of shares on 27/09/2019	6009	0.1232	20111	0.4125
	Purchase of shares on 04/10/2019	90	0.0018	20201	0.4144
	Sale of shares on 11/10/2019	(14)	(0.0003)	20187	0.4141
Purchase of shares on 18/10/2019	305	0.0062	20492	0.4203	



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase of shares on 25/10/2019	200	0.0041	20692	0.4244
	Purchase of shares on 01/11/2019	3088	0.0634	23780	0.4878
	Purchase of shares on 08/11/2019	989	0.0203	24769	0.5081
	Purchase of shares on 15/11/2019	1983	0.0406	26752	0.5487
	Sale of shares on 22/11/2019	(21)	(0.0004)	26731	0.5483
	Purchase of shares on 29/11/2019	1990	0.0408	28721	0.5891
	Sale of shares on 06/12/2019	(9)	(0.0001)	28712	0.5890
	Sale of shares on 13/12/2019	(11)	(0.0002)	28701	0.5887
	Sale of shares on 20/12/2019	(8)	(0.0002)	28693	0.5886
	Sale of shares on 31/12/2019	(20)	(0.0004)	28673	0.5882
	Sale of shares on 03/01/2020	(10)	(0.0002)	28663	0.5879
	Sale of shares on 10/01/2020	(20)	(0.0004)	28643	0.5875
	Sale of shares on 31/01/2020	(1)	0.00	28642	0.5875
	Purchase of shares on 07/02/2020	995	0.0204	29637	0.6079
	Purchase of shares on 14/02/2020	636	(0.0131)	30273	0.6210
	At the end of the year (or on the date of separation, if separated during the year)	30273	0.6210	30273	0.6210
7.	Rishabh Negi				
	At the beginning of the year	28602	0.5867	28602	0.5867
	Increase/Decrease in shareholding during the year	0	0.0	0	0.0
	At the end of the year (or on the date of separation, if separated during the year)	28602	0.5867	28602	0.5867
8.	Sadhna Mandovra				
	At the beginning of the year	25000	0.5128	25000	0.5128
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	25000	0.5128	25000	0.5128



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	Rajendra Jain				
	At the beginning of the year	22800	0.4676	22800	0.4676
	Increase/Decrease in shareholding during the year				
	At the end of the year (or on the date of separation, if separated during the year)	22800	0.4676	22800	0.4676
10.	Rekha Harimohan Ladha				
	At the beginning of the year	20000	0.4102	20000	0.4102
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	20000	0.4102	20000	0.4102
11.	Harimohan Ladha				
	At the beginning of the year	20000	0.4102	20000	0.4102
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	20000	0.4102	20000	0.4102
12.	Mohamed RiyazBabu				
	At the beginning of the year	16150	0.3313	16150	0.3313
	Purchase of shares on 12/04/2019	156	0.0032	16306	0.3345
	Purchase of shares on 19/04/2019	54	0.0011	16360	0.3356
	Purchase of shares on 10/05/2019	140	0.0029	16500	0.3385
	Purchase of shares on 17/05/2019	123	0.0025	16623	0.3410
	Purchase of shares on 19/07/2019	20	0.0004	16643	0.3414
	Purchase of shares on 26/07/2019	46	0.0009	16689	0.3423
	Purchase of shares on 02/08/2019	100	0.0021	16789	0.3444
	Purchase of shares on 09/08/2019	89	0.0018	16878	0.3462
	Purchase of shares on 16/08/2019	11	0.0002	16889	0.3464
	Purchase of shares on 23/08/2019	76	0.0015	16965	0.3480
	Purchase of shares on 13/09/2019	10	0.0002	16975	0.3482



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase of shares on 20/09/2019	14	0.0003	16989	0.3485
	Purchase of shares on 27/09/2019	62	0.0013	17051	0.3498
	Purchase of shares on 30/09/2019	10	0.0002	17061	0.3500
	Purchase of shares on 04/10/2019	4	0.00	17065	0.3500
	Purchase of shares on 11/10/2019	9	0.0002	17074	0.3502
	Purchase of shares on 18/10/2019	1	0.00	17075	0.3502
	Purchase of shares on 25/10/2019	5	0.0001	17080	0.3504
	Purchase of shares on 13/12/2019	59	0.0012	17139	0.3516
	Purchase of shares on 20/12/2019	3	0.00	17142	0.3516
	Sale of shares on 31/12/2019	(2)	0.00	17140	0.3516
	Sale of shares on 24/01/2020	(10)	(0.0002)	17130	0.3514
	Purchase of shares on 07/02/2020	5	0.0001	17135	0.3515
	Purchase of shares on 06/03/2020	26	0.0005	17161	0.3520
	At the end of the year (or on the date of separation, if separated during the year)	17161	0.3520	17161	0.3520
13.	Urmila Modi				
	At the beginning of the year	16700	0.3426	16700	0.3426
	Increase/Decrease in shareholding during the year				
	At the end of the year (or on the date of separation, if separated during the year)	16700	0.3426	16700	0.3426
14.	Online Appliances Limited				
	At the beginning of the year	840600	17.2427	840600	17.2427
	Pursuant to Conversion of Online Appliances Limited to Online Appliances LLP	(840600)	(17.2427)	(840600)	(17.2427)
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
15.	Lavekush Gadiya				
	At the beginning of the year	378000	7.7537	378000	7.7537
	Sale of Shares on 23/08/2019	(229970)	(4.7171)	148030	3.0365
	Sale of Shares on 30/08/2019	(30)	(0.0006)	148000	3.0358
	Sale of Shares on 21/02/2020	(148000)	(3.0358)	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00



v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sanjay Gorani (KMP) Managing Director	649300	13.3187	649300	13.3187
	Purchase of shares on 30th August, 2019	230000	4.72	879300	18.04
	At the end of the year 31.03.2020	879300	18.04	879300	18.04
2.	Anil Gorani Whole Time Director	548600	11.2531	548600	11.2531
	Purchase of shares on 21/06/2019	4700	0.0964	553300	11.3495
	At the end of the year 31.03.2020	553300	11.3495	553300	11.3495
3.	Nakul Gorani Whole Time Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2020	0	0.00	0	0.00
4.	Vikram Rajkumar Khandelwal Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2020	0	0.00	0	0.00
5.	Raina Goyal Non-Executive Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2020	0	0.00	0	0.00
6.	Komal Motwani Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2020	0	0.00	0	0.00



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
B.	Key Managerial Personnel				
1.	Neerja Mandiya	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2020	0	0.00	0	0.00
2.	Chandrasekhar Sharma Chief Financial Officer	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2020	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rs.)

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	2,03,81,358.00	2,99,93,037.00	0.00	5,03,74,395.00
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due				
Total (i+ii+iii)	2,03,81,358.00	2,99,93,037.00	0.00	5,03,74,395.00
Change in Indebtedness during the financial year				
• Addition	26,97,37,390.00	3,75,000.00	0.00	26,97,37,390.00
• Reduction	26,38,48,658.00	2,20,93,400.00	0.00	28,59,42,058.00
Net Change	58,88,732.00	(2,20,93,400.00)	0.00	(1,62,04,668.00)
Indebtedness at the end of the financial year				
i. Principal Amount	2,62,70,090.00	78,99,637.00	0.00	3,41,69,727.00
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due	7,565.00	0.00	0.00	0.00
Total (i+ii+iii)	2,62,77,655.00	78,99,637.00	0.00	3,41,69,727.00

Note: - Whatever interest has been due is paid and no interest is Rs. 7,565/- which is paid when become due.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (in Rs.)
		Sanjay Gorani	Nakul Gorani	Anil Gorani	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,00,000	17,00,000	12,00,000	52,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
	Total (A)	23,00,000	17,00,000	12,00,000	52,00,000
	Ceiling as per the Act	As per Schedule V of the Companies Act, 2013 as amended from time to time.			

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (in Rs.)
		Komal Motwani	Vikram Khandelwal*	Raina Goyal*	
1.	Independent Directors				
	• Fee for attending board / committee meetings • Commission • Others, please specify	0.00	0.00	0.00	0.00
	Total B (1)	0.00	0.00	0.00	0.00
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings • Commission • Others, please specify	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00	0.00 0.00 0.00
	Total B(2)	0.00	0.00	0.00	0.00
	Total (B)=B(1) +B(2)	0.00	0.00	0.00	0.00
	Total Managerial Remuneration	0.00	0.00	0.00	0.00
	Overall ceiling as per the Act	Act As per the limits specified under the Companies Act, 2013.			



C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Neerja Mandiya Company Secretary and Compliance Officer	Chandrasekhar Sharma CFO	Total
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,74,000	2,16,000	3,90,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total	1,74,000	2,16,000	3,90,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY				
Penalty		None		
Punishment		None		
Compounding		None		
B. DIRECTORS				
Penalty		None		
Punishment		None		
Compounding		None		
C. OTHER OFFICERS IN DEFAULT				
Penalty		None		
Punishment		None		
Compounding		None		

By Order of the Board
for Gorani Industries Limited

Date: 04th September, 2020

Place: Indore

Regd Office :
Plot No. 32-33, Sector-F,
Sanwer Road, Industrial Area,
Indore - 452015 (M.P.)

Anil Gorani
Sd/-
(Holding DIN 00055540)
(Chairman cum Whole Time Director)



ANNEXURE III

Form MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED on 31st March, 2020

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

To,
The Members
Gorani Industries Limited
32-33, Sector-F
Sanwer Road Industrial Area, Indore
M.P. - 452015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gorani Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the 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:

Due to Covid-19 pandemic I was unable to physically visit the Company office and Plant office and therefore, I have examined the books, papers, minute books, forms and returns filed and other records received via Emails and other electronic means maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made 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- There is no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings in the Company during the year;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- There is no Listed Debt Securities in the Company;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- There is no Share Based Employee Benefits in the Company;
 - (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;



- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- No Equity Shares are delisted during the year;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- There is no event of Buyback of securities during the year.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that, having regard to the adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environment laws. On examination of the relevant documents and records in pursuance thereof, on test check basis, the company has complied with the general laws applicable to the Company except the observation mentioned herein below:

1. *The Company could not produced before us the following returns:*
 - i. *Form-27 (Annual Return) and Form-28 (half-yearly return) under Factories Act, 1948.*
 - ii. *Form III(Annual Return) under Minimum Wages Act, 1948.*
 - iii. *Form IV(Annual Return) under The Payment of Wages Act, 1936*
 - iv. *Form-D i.e. Annual Return of Payment of Bonus under the Payment of Bonus Act, 1965*
2. *During the period under review, there is delay in depositing the Provident Fund, ESIC dues for few months.*

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the

Board Meetings, agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

Regarding financial, direct/indirect taxation, Statutory Audit matters which have been dealt by other professionals hence, these matters are not in the scope of our audit and no comments have been made on these matters.

I further report that during the audit period, there were no instances of:

- i. Public / Rights / Preferential issue of shares / debentures / sweat equity.
- ii. Redemption / buy-back of securities.
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations.

Place: Indore
Date : 25/08/2020

Sd/-
CS Manish Jain
For Manish Jain & Co.
Company Secretaries
FCS No.4651
C P No.:3049
UDIN: F004651B000611400



To,
The Members
Gorani Industries Limited
32-33, Sector-F
Sanwer Road, Indore
M.P. - 452015

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 future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Indore
Date : 25/08/2020

Sd/-
CS Manish Jain
For Manish Jain & Co.
Company Secretaries
FCS No.4651
C P No.:3049
UDIN: F004651B000611400



Form No. AOC-2

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 transactions under third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis
 - a) Name(s) of the related party and nature of relationship: NIL
 - b) Nature of contracts/arrangements/transactions :NIL
 - c) Duration of contracts/arrangements/transactions: NIL
 - d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
 - e) Justification for entering into contracts or arrangements or transactions: NIL
 - f) Date(s) of approval by the board :NIL
 - g) Amount paid as advances, if any: NIL
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:NIL
2. Details of material contracts or arrangements or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Blow Hot Kitchen Appliances Private Limited (Directors i.e. Mr. Sanjay Gorani, Mr. Anil Gorani, Mr. Nakul Gorani and their relatives are Directors and/ or members)	M/s Gangotri Industries (The proprietor of the firm is relative of directors of the company)
Nature of contracts / arrangements / transactions	sale, purchase or supply of any goods or materials, availing or rendering of any services to/from Blow Hot Kitchen Appliances Private Limited	sale, purchase or supply of any goods or materials
Duration of contracts / arrangements/ transactions	3 Years (1st October 2017 to 30th September, 2020)	3 Years (1st October 2017 to 30th September, 2020)
Salient terms of the contracts or arrangements or transactions including the value, if any	Approval at Annual General Meeting dated 29/09/2017 and Limit is Rs. 5 Crore per annum.	Approval at Annual General Meeting dated 29/09/2017 and Limit is Rs. 5 Crore per annum.
Date(s) of approval by the board	11/08/2017	11/08/2017
Amount paid as advances, if any	NIL	NIL

By Order of the Board

Place: Indore
Date: 04/09/2020

Sd/-
Anil Gorani
(Holding DIN 00055540)
Chairman cum Whole Time Director



Information on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed under section 134 of the Companies Act, 2013 read with rules the Companies (Accounts) Rules, 2014 are provided hereunder:

1. CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

Our focus on the impact of our operations on climate change leads to our energy conservation strategy where we can best evaluate our performance through measurement of emission to the atmosphere.

- Additional power capacitors and power factor control equipments are installed to limit down demand.
- Changeover switch system has been employed to avoid electricity wastage.

Additional investments and proposal, if any, being implemented for reduction of consumption of energy:

Due to effective steps already taken to conserve energy, there is no immediate scope.

Impact of above measures:

Efficient utilization of power and consumption of electricity per unit of production has decreased.

Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of Industries specified in the schedule thereto.

Particulars		Unit	2019-20	2018-19
a.	Electricity			
	Purchased unit	KWH	2,83,944	2,66,160
	Total amount	Rs.	32,92,943	29,52,591
	Rate per unit	Rs./KWH	11.60	11.09
b.	Own generation			
	Units	KWH	21,690	4,820
	Units/ Ltr. of Diesel	KWH	5.36	6.03
	Cost per Unit	Rs./KWH	13.14	12.15
	Electricity consumed	KWH	0.98	0.99

(ii) Steps taken by the company for utilizing alternate sources of energy;

As normally there has been un-interrupted power supply from the Electricity Board, the power was generated through DG sets in exceptional situations.

(iii) Capital investment on energy conservation equipments;

Due to adequate arrangement, existing there is no further requirement of such investment considering the estimated production in near future.

2. TECHNOLOGY ABSORPTION, REASERCH & DEVELOPMENT (R&D)

(i) Efforts made towards technology absorption

Company is manufacturing ISI-Certified Gas Geysers which have thermal efficiency of 82% plus, thereby reducing the carbon footprint compared to electric geyser by 40% resulting into environmental energy conservation and emission of carbon-di-oxide and carbon-mono-oxide like harmful gases.



- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution.

The team of Whole-time director as supported by Managing Director have a vast experience of approx 30 years in the field of Kitchenware, has helped practically to understand the requirement of modified, improvised and more beautified user-friendly product for which main customers are ladies, housewives, students. The continuous learning and development process with an aim to modernize the product catering every need of the customer/user in last 12 years has helped to become safer and user friendly qualitative products.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)--

- (a) the details of technology imported
- (b) the year of import;
- (c) whether the technology been fully absorbed
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

No technology as such is imported. The practical experience gained in travelling to and fro China by the directors while their frequent trips to the country for understanding the needs of the customers have resulted into improvised technical durability of the product with cost reduction element.

- (iv) Expenditure on R&D:

So far as the current products namely LPG Stoves, Kitchen Chimney & Gas Geysers are concerned the minor technology specifications and beautifying modification have been obtained through the continuous manufacturing experience during last 12 years under the control of technical team headed by whole time technical director of the company. The ultimate object has been to make the above products updated and more user (housewives) friendly from safety and handling point of view. Therefore, relevant expenses have been absorbed by the yearly Income & Expenditure accounts.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO: (Amount in Rs.)

Particulars		2019-20	2018-19
a.	Earnings FOB value of exports Freight Charges	NIL	NIL
b.	Outgo Import Expenses	5,03,67,923	8,29,17,235

By Order of the Board

Sd/-

Anil Gorani

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place: Indore

Date: 04/09/2020

Regd. Office:

Plot No. 32-33, Sector F,

Sanwer Road, Industrial Area,

Indore-452015 (M.P.)



DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- 1) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Director	Designation	Remuneration for F.Y. 2019-20 (Amount in Rs.)	Remuneration for F.Y. 2018-19 (Amount in Rs.)	Increase in remuneration from previous year	Percentage increase in remuneration from previous year	Ratio
Mr. Sanjay Gorani	Managing Director	23,00,000	18,00,000	5,00,000	27.78%	15.15
Mr. Anil Gorani	Whole Time Director	12,00,000	12,00,000	0	0.00%	10.10
Mr. Nakul Gorani	Whole Time Director	17,00,000	12,00,000	5,00,000	41.67%	10.10
Mr. Chandrasekhar Sharma	CFO	2,16,000	2,10,000	6,000	2.86%	
Ms. Neerja Mandiya	Company Secretary	1,74,000	1,77,000	(3,000)	(1.69%)	

- 2) The median remuneration of employees of the Company during the financial year was Rs. 1,18,783/-
- 3) In the financial year, there is an increase of 11.55% in the median remuneration of employees;
- 4) There were 110 permanent employees on the rolls of Company as on March 31, 2020;
- 5) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20 is approximately 10%
- 6) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees:
- 7) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



- 8) Details of top ten employees of the Company under Rule 5 (2) of the Companies (Appointment and Remuneration) Rules, 2014 as amended from time to time:

Sr. No.	Name of the Employee	Designation of the Employee	Remuneration Received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of rule 5(2)(iii) of Companies (Appointment and Remuneration) Rule 2014	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1.	Chandra Shekhar Sharma	C.F.O.	2,16,000	Contractual	M.Com 20 Yrs.	1-Aug-99	59 Yrs.	Jayant Vitamins Ltd.	NIL	NA
2.	Mohammed Ahmed Khan	Dispatch Incharge	2,16,000	Contractual	M.Com, LLB 24 Yrs.	2-Sep-96	62 Yrs.	Modella Steel	NIL	NA
3.	Abhay Sharma	Manager Accounts	2,16,000	Contractual	M.Com 17 Yrs.	1-Oct-16	41 Yrs.	Wanderland Real Estate Pvt. Ltd.	NIL	NA
4.	Antony Paulose Joseph	Tool Room Incharge	2,16,000	Contractual	Diploma in Mechanical Engineering 15 Yrs.	13-Jul-05	60 Yrs.	Super Steel Mfg. Co.	NIL	NA
5.	Vinod Sharma	Production Incharge	2,16,000	Contractual	B.Sc 20 Yrs.	15-Sep-00	57 Yrs.	Super Steel Mfg. Co.	NIL	NA
6.	Premnarayan Nagar	Paint Section Incharge	1,99,500	Contractual	B.Com 10 Yrs.	11-Oct-09	52 Yrs.	Super Steel Mfg. Co.	NIL	NA
7.	A. Sushila Rao	Back Office Assistant	1,90,500	Contractual	B.A 20 Yrs.	2-Sep-96	47 Yrs.	-	NIL	NA
8.	Dewa Suresh Kanathe	Technical Engineer	1,77,928	Contractual	Diploma in Tool Engineering 4 Yrs.	01-Feb-18	28 Yrs.	ITL Industries Ltd.	NIL	N.A.
9.	Neerja Mandiya	CS and Compliance Officer	1,74,000	Contractual	CS 2 Yr.	18-Dec-17	26 Yrs.	-	NIL	NA
10.	Dharmendra Dalchand Kashyap	Supervisor	1,67,745	Contractual	- 14 Yrs.	01-Nov-06	45 Yrs.	-	NIL	N.A.

Place: Indore
Date: 04/09/2020
Regd. Office:
Plot No. 32-33, Sector F, Sanwer Road,
Industrial Area, Indore-452015 (M.P.)

By Order of the Board
Sd/-
Anil Gorani
(Holding DIN 00055540)
Chairman cum Whole Time Director



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Changing household and commercial lifestyles, economical availability of electricity, rising concerns regarding eco-friendly and energy efficient appliances are expected to be the key drivers of the kitchen appliances market size. Development of e-commerce distribution channels, emergence of Information technology and other smart technologies will support the overall kitchen appliances market share since 2016-17.

Environmental concerns regarding rising pollution and global warming has led to the development of appliances that are energy efficient. Technological advancements in accordance to this trend may help manufacturers garner huge gains over the forecast timeline. Moreover, regulatory bodies are expected to entertain such portfolio in the industry and may boost the current growth rate which is corroborated by the measures taken by exchequer with regard to MSME enterprises.

The company is in the business of production, manufacturing and dealing in Kitchen appliances and home appliances which is one such sector within the overall household segment that has been in the limelight in recent past. Kitchen appliances are gaining popularity due to the rise in disposable income and changing lifestyles of people, which in turn is narrowing the price gap between similar consumer products offered by different companies. In addition to this, technological advancements in appliances have also catalyzed the growth of kitchen appliances market. Easy and functional appliances are the need of the hour, which has led to the development of smart, standardized and efficient appliances. All products of the Company are ISI certified and are sophisticated to bring the age-old domestic appliances to a new height. The legendary products of the Company like BLOWHOT, ONLINE reflect the sophistication of the products and the reliability as well as exquisite look due to modernization of the design of the product.

Discussion on financial performance with respect to operational performance:

Sr. No.	Particulars	2019-20	2018-19
1.	Net Sales from operations	21,43,11,719	20,41,52,957
2.	Other Income	5,19,699	9,34,209
3.	Sub-total	21,48,31,418	20,50,87,166
4.	Total Expenditure (Before interest and Depreciation)	20,10,25,533	19,28,48,814
5.	Operating Profit (EBIDTA)	1,38,05,885	1,22,38,352
6.	Operating Margin %	6.44%	5.99%
7.	Profit / (Loss) After Tax	64,90,674	56,45,537
8.	Return on Capital Employed % (EBIT)	21.45%	21.53%
9.	No. of Months Receivables (Receivables / Sales X 12)	3.39	2.18
10.	Current Ratio (Current Assets / Current Liabilities)	1.34	1.33
11.	Borrowings : Equity Ratio (TL/Equity)	0.67	1.10
12.	Production (Nos.) :-		
(A)	Gas Gyser	96,476	73,970
(B)	LPG Glass Top	1,31,679	1,25,295
(C)	Chimney	23,229	26,046

Company's revenue from operations for the year 2019-20 was 21,43,11,719/-, reflecting an increase of 4.98% over the previous year. The Company's profit before exceptional items and tax during the year ended 31st march 2020 Rs 90,07,759/-, grew by 9.64%.

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBIDTA)

During the fiscal 2019-20, the Company reported an EBIDTA of Rs.1,38,05,885/- when compared to the previous year's figure of Rs. 1,22,38,352/-.

PROFIT BEFORE TAX (PBT)

PBT was at Rs. 90,07,759/- in FY 2020, compared with previous year's Rs. 82,15,396/-.



PROFIT AFTER TAX (PAT)

PAT stood at Rs. 64,90,674/- in FY-2020as compared to Rs. 56,45,537/- in FY- 2019.

EARNINGS PER SHARE (EPS)

EPS in the fiscal 2019-20stood at Rs. 1.33 per share compared to EPS of Rs. 1.09 per share in fiscal 2018-2019.

OPPORTUNITIES AND THREATS

Demand for smart kitchen appliances has increased over the past few years. Technological advancements have influenced the demand for up gradation of kitchen appliances, thereby enabling smooth and reliable productivity while cooking. The Company has been adopting the strategy of continuously offering innovative, newer and improved products as well as marketing strategies to stay above competition whether organized or unorganized as a result of this the newly developed chimney has shown the growth in demand and has secured a status amongst the other established brands of same kind and quality with the most competitive pricing factor. These facts are supporting practically our belief of catching and then holding the pace of growth in our segment of products, as also revealed by the current year performance.

Due to Covid-19 pandemic the availability of raw material from China and difficulties relating to skilled labour availability will certainly hit the productivity but held inventory level coupled with other benefits given by the state government like deferment of Power bills and other payments thereby bringing the relaxation in the cashflow. The scheme of sacrificing the LPG connection subsidy has also resulted into the increased demand of the LPG stove, our core product. Gas Geyser is also becoming a necessity now a day and is also becoming a promising product.

The company is in the process of making and implementing the strategies to capitalize available opportunities and minimizing the threats to ladder products across capacities, formats and prices. The company will put its every effort to maximize the internal accruals by way of input tax credit available in the GST law and by optimizing the product common costs so as to enable it to sustain profitably in the market.

SEGMENT WISE PERFORMANCE/PRODUCT WISE PERFORMANCE

The company has only one segment of Home Appliances and the products considered as part of the segment are, LPG stoves, Gas Hobs, Gas geysers, Water Heaters and Kitchen Chimneys.

The company is hopeful that through a combination of powerful marketing strategies, innovative new products and market development and expansion activities, it would increase its share in the domestic market of most of its products. The newly added organized customers to the chain of company products due to GST regime are very promising for the segmental growth.

OUTLOOK

The Indian kitchen appliances market grew at a healthy double-digit rate over the last decade, driven by a host of factors such as increasing rural penetration, improved disposable incomes and a revolution in lifestyle standards, purchasing preferences and buying trends. In the last couple of years, availability of our products on the e-commerce platform has shown an attractive growth and looking in to the current scenario of people purchasing products directly through such platforms the company sees the jump in the turnover.

However, in the last four years, the high growth of the past tapered off thus witnessing a sobering effect in the kitchen appliances industry. The key growth challenge encountered by the industry primarily came from the consumer sentiment and stagnation of incomes.

After the Covid-19 impact and since the un-locking in Jun-2020, both global and Indian economies are on the path of recovery. However, the overall market sentiment is positive and your Company expects to maintain its growth rates aided by the new range of products, barring unforeseen circumstances.

RISK AND CONCERNS

Our Company has developed and implemented a Risk Management Policy which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company.



Our Company continuously monitors and revisits the risks associated with its business. The company has review mechanism of risks at regular intervals. The management of the Company has identified some of the major areas in relation to business strategy, operations and transactions, statutory/legal compliance, financial reporting, information technology system and overall internal control framework. With improved efficiencies and economies of scale your Company is hopeful of maintaining a healthy margin and return on capital employed. Efficient working capital/ asset management, cash generation and robust stewardship will continue to be our focus areas as in the past.

Risks identified through our risk management processes are prioritized and, depending on the probability and severity of the risk. We have general response strategies for managing risks, which categorize risks according to whether the company will avoid, transfer, reduce or accept the risk.

INTERNAL CONTROL

The Company and the Management has adequate internal control systems in place to safeguard and shield the Company from losses and, unofficial use or deposition of assets. This also ensures that the Company's assets and interests are carefully protected and all the transactions are appropriately authorized, recorded and presented to the management. The Company always adheres to prescribed guidelines and follows all Accounting Standards prescribed for maintenance of books of accounts and reporting of financial statements. The appointed internal auditor monitor and report on the effectiveness of the internal control systems of the various areas of operations Key matters that are reported in the Internal Audit are brought to the notice of the Audit Committee of the Board of Directors and corrective measures are recommended and appropriate actions are taken. The Internal Control systems ensure the business operations function efficiently and the applicable laws, rules, regulations, policies of the Company are followed, in addition to safeguarding the reliability of financial reporting.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT

The Company fully values the Human Capital and continued to have the cordial and harmonious relations with its employees. The company focus on training of employees on a continuous basis. The Company considers the quality of its human resources to be most important asset and constantly endeavors to attract and recruit best possible talent. The company maintains a strong business linkage to all human resource and initiatives.

The Unit of the Company has 100 non-management employees. The overall relations with these employees continued to be cordial and harmonious during the year 2019-20. As on 31st March, 2020, the employee strength of the Company was 110 as compared to 101 as on 31st March, 2019.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Disclosure of Accounting Treatment:

Being the listed public limited company the Indian Accounting Standards (IND-AS) are applicable on the company and the standards as on date notified were applied while preparing the financial statements.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, predictions & contains forward looking statements within the meaning of applicable rules and regulations. It contains forward looking statements which are made in good faith based on the information available at the time of its approval. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a number of risks and uncertainties that are inherent in any forward looking statement which could cause actual results to differ materially from those currently anticipated.



INDEPENDENT AUDITORS' REPORT

To the Members of
Gorani Industries Limited
Report on the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

We have determined that there is no key audit matter to communicate in our report

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such 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 conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's board of directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Ind-AS standalone financial statements that give a true and fair view of the financial position, financial performance, total Comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related



to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the Ind-AS 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 Ind-AS financial statements.

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

1. Identify and assess the risks of material misstatement of the Ind-AS 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 from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.

5. 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of



the Act, we enclosed in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order.

2. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company with reference to these Ind-AS financial Statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" of this report.

g. With respect to other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the act.

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

i. There is no pending litigation which impact the financial position of company and to be included in financial statements;

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; hence no provision was required to be made; and

iii. There was no amounts which was required to be transferred to the Investor Education and Protection Fund by the Company.

For: SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

Place: Indore
Date : 28/07/2020
UDIN : 20512148AAAAAB4879

CA. SNEHA MANTRI
Proprietor
Membership no. 512148

ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF GORANI INDUSTRIES LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020

- (i) In respect of the Company's property, plant and equipment:
 - (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.
 - (b) All fixed assets of the Company are physically verified by the management at regular intervals, which in our opinion, is reasonable considering the size of the Company and the nature of assets. During the year, as informed to us by management, no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of its inventory:
 - (a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
 - (b) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and

explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 or 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

- (v) The company has not accepted any deposits from public during the year. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
 - (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including, Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Goods & Services Tax and other material statutory dues applicable to it, with the appropriate authorities except Provident Fund, Employees State Insurance (ESI) in which there is a delay in depositing the dues in some periods.

An amount of Rs. 4,748/- was outstanding on the last day of the financial year for a period more than 6 months in case of Provident fund due to technical difficulties generally experienced by the industries in generating Universal account number (UAN) of some of the employees. The said sum was paid on 15th July 2020.
 - (b) According to the information and explanations given to us, there were no disputed amounts payable in respect of Income-tax, Custom Duty, Goods & Services Tax, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2020.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not



defaulted in the repayment of loans or borrowings to financial institution, bank, Government or dues to debenture holders.

- (ix) According to the records of the company, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year. In our opinion the term loans raised during the year were applied for the purpose for which those are raised.
- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no material fraud on the Company by its officers or employees nor any fraud by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party

transactions have been disclosed in the financial statements as required under applicable Indian Accounting Standard.

- (xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, reporting requirement under clause 3(xiv) of the order are not applicable to the company.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For: SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

Place: Indore
Date : 28/07/2020
UDIN : 20512148AAAAAB4879

CA. SNEHA MANTRI
Proprietor
Membership no. 512148



ANNEXURE "B" AS REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING OF "REPORT ON LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF GORANI INDUSTRIES LIMITED LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020

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 Gorani Industries Limited ('the Company') as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind-AS financial statements based on our audit. We have 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 Act, 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 were 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 over financial reporting with reference to these Ind-AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind-AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to these Ind-AS financial statements

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting with reference to these Ind-AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Ind-AS financial statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in



accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Ind-AS financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Ind-AS financial statements and such internal financial controls over financial reporting with reference to these Ind-AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For: SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

Place: Indore

Date : 28/07/2020

UDIN : 20512148AAAAAB4879

CA. SNEHA MANTRI

Proprietor

Membership no. 512148

BALANCE SHEET AS AT 31st MARCH' 2020

CIN- L28121MP1995PLC009170

PARTICULARS	Note No.	As at 31/03/2020	As at 31/03/2019
		Rs.	Rs.
ASSETS			
Non Current Assets			
Property Plant & Equipment	2	28,497,039	23,943,766
Capital Work in Progress		64,392	2,376,446
Other Non-Current Assets	3	430,620	431,254
Current Assets			
Inventories	4	30,645,608	37,297,773
Financial Assets			
Trade Receivables	5	60,469,469	37,087,688
Cash and Cash Equivalent	6	5,239,061	9,053,642
Other Current Financial Assets	7	346,900	326,900
Current Tax Asset (Net)	8	-	698,863
Other Current Assets	9	2,542,932	7,661,529
Total		128,236,021	118,877,861
EQUITY			
Share Capital	10	48,751,000	48,751,000
Other Equity	11	2,252,175	(3,145,562)
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	12	978,238	1,954,927
Provisions	13	235,797	-
Deferred Tax Liabilities	14	2,126,573	2,239,627
Current liabilities			
Financial Liabilities			
Borrowings	15	32,214,800	47,529,076
Trade Payables	16		
Dues of micro & small enterprises		2,279,984	5,914,687
Dues other than micro & small enterprises		29,632,440	10,561,874
Other Financial Liabilities	17	6,981,573	3,599,700
Other Current Liabilities	18	2,674,854	1,472,532
Current Tax Liability (Net)	19	108,587	-
Total		128,236,021	118,877,861
Significant Accounting Policies and Notes on Financial Statements	1 to 41		

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)
Managing Director
DIN :- 00055531

(Anil Gorani)
Whole Time Director
DIN : 00055540

(Nakul Gorani)
Whole Time Director
DIN : 06543317

(Neerja Mandiya)
(Company Secretary)

(C.S. Sharma)
C.F.O.

CA. Sneha Mantri
Proprietor
M.No. 512148
UDIN : 20512148AAAAAAB4879

Place : Indore

Date : 28.07.2020

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2020

CIN - L28121MP1995PLC009170

PARTICULARS	Note No.	Year Ended 31/03/2020	Year Ended 31/03/2019
		Rs.	Rs.
Income			
I Revenue from Operations	20	214,311,719	204,152,957
II Other income	21	519,699	934,209
III Total Revenue (I+II)		214,831,418	205,087,166
IV Expenses			
Cost of Materials Consumed	22	171,505,151	169,333,237
Purchases of Trading Goods		115,226	1,790,781
Changes in inventories of finished goods, work in progress and Stock-in- trade	23	(3,463,672)	(6,502,881)
Employee benefits expenses	24	19,963,536	16,465,592
Finance costs	25	2,658,558	1,946,040
Depreciation and Amortization expenses	2	2,867,421	2,421,196
Other expenses	26	12,177,439	11,417,805
Total (IV)		205,823,659	196,871,770
V Profit Before Exceptional and Tax (III-IV)		9,007,759	8,215,396
VI Exceptional items		-	-
VII Profit Before Tax (V-VI)		9,007,759	8,215,396
VIII Tax expenses			
Current tax		2,378,956	1,517,950
MAT Credit		-	(609,593)
Deferred tax		138,129	1,661,502
Total tax expenses		2,517,085	2,569,859
IX Profit/(loss) for the year (VII-VIII)		6,490,674	5,645,537
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit & loss			
Remeasurements of net defined benefit plans		(966,086)	830,169
Income tax relating to above items		251,182	(215,844)
XI Total Comprehensive Income for the year (IX+X)		5,775,770	6,259,862
Earnings per Share			
Equity Shares of ₹ 10 each			
Basic		1.33	1.09
Diluted		1.33	1.09
Significant Accounting Policies and Notes on Financial Statements	1 to 41		

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C(Sanjay Gorani)
Managing Director
DIN :- 00055531(Anil Gorani)
Whole Time Director
DIN : 00055540(Nakul Gorani)
Whole Time Director
DIN : 06543317(Neerja Mandiya)
(Company Secretary)(C.S. Sharma)
C.F.O.CA. Sneha Mantri
Proprietor
M.No. 512148
UDIN : 20512148AAAAAB4879

Place : Indore

Date : 28.07.2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

CIN - L28121MP1995PLC009170

PARTICULARS	Note No.	As at 31/03/2020	As at 31/03/2019
		Rs.	Rs.
Cash flow from operating Activities			
Net profit before taxation		9,007,759	8,215,396
Add adjustments for :			
Depreciation / amortisation		2,867,421	2,421,196
Interest income		(519,699)	(24,969)
Interest Expense on lease Liability		829	-
Finance Cost		2,658,558	1,946,040
Insurance Claim		-	(88,193)
Unrealised foreign exchange difference		(804,463)	(39,125)
Loss on Sale of Asset		3,813	-
Employee Benefit Expense		17,890	390,166
Operating profit before working capital changes		13,232,108	12,820,511
Adjustments for changes in working capital :			
- Trade and other receivables		(23,381,781)	10,787,030
- Inventories		6,652,165	11,730,546
- Other financial assets		(20,000)	(190,500)
- Other current assets		4,433,827	(4,704,682)
- Trade and other payables		19,638,731	(19,435,447)
- Other current liabilities		1,202,322	(2,791,124)
Cash generated from operation		21,757,372	8,216,333
- Taxes paid (net)		1,660,776	2,216,813
Net cash from Operating Activities (A)		20,096,596	5,999,520
Cash flow from Investing Activities			
(Purchase) / Sales of fixed assets		(5,479,759)	(8,400,558)
Insurance Claim		-	88,193
Interest Income		519,699	24,969
Increase/(Decrease) in other non current assets		634	29,618
Net cash used in Investing Activities(B)		(4,959,426)	(8,257,778)
Cash flow from Financing Activities			
Finance Cost		(2,658,558)	(1,946,040)
Payment of Lease Liability		(2,228)	-
Proceeds from Calls Unpaid		-	1,039,000
Increase/(Decrease) in Short term Borrowings		(15,314,276)	8,577,837
Increase/(Decrease) in other non current liabilities		(976,689)	1,954,928
Net cash used in Financing Activities(C)		(18,951,751)	9,625,725
Net increase in cash and cash equivalents (A+B+C)		(3,814,581)	7,367,467
Cash and cash equivalents at the beginning of the year		9,053,642	1,686,175
Cash and cash equivalents at the end of the year		5,239,061	9,053,642
Cash in Hand		879,432	102,290
Balance In Current Accounts with Scheduled Bank		4,359,629	8,951,352
		5,239,061	9,053,642
Significant Accounting Policies and Notes on Financial Statements	1 to 41		

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)

(Anil Gorani)

(Nakul Gorani)

(Neerja Mandiya)

(C.S. Sharma)

CA. Sneha Mantri

Managing Director

Whole Time Director

Whole Time Director

(Company Secretary)

C.F.O.

Proprietor

DIN :- 00055531

DIN : 00055540

DIN : 06543317

M.No. 512148
UDIN : 20512148AAAAAB4879

Place : Indore

Date : 28.07.2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2020

CIN - L28121MP1995PLC009170

A. Equity Share Capital

Particulars	Amount
As at 31st March, 2018	50,613,000
Changes in equity share capital	(1,862,000)
As at 31st March, 2019	48,751,000
Changes in equity share capital	0
As at 31st March, 2020	48,751,000

B. Other Equity

	Reserve & Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as on 31, March 2018	-	(12,306,424)	(12,306,424)
As At 1, April 2018	-	(12,306,424)	(12,306,424)
Profit for the period	-	5,645,537	5,645,537
Other comprehensive income	-	614,325	614,325
Total comprehensive income	-	6,259,862	6,259,862
Share Forfeited during the year	2,901,000	0	2,901,000
Balance as on 31, March 2019	2,901,000	(6,046,562)	(3,145,562)
As At 1, April 2019	2,901,000	(6,046,562)	(3,145,562)
Impact on account of IND AS 116		(378,033)	(378,033)
	2,901,000	(6,424,595)	(3,523,595)
Profit for the period		6,490,674	6,490,674
Other comprehensive income		(714,904)	(714,904)
Total comprehensive income		5,775,770	5,775,770
Share Forfeited during the year			
Balance as on 31, March 2020	2,901,000	(648,825)	2,252,175

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)
Managing Director
DIN :- 00055531

(Anil Gorani)
Whole Time Director
DIN : 00055540

(Nakul Gorani)
Whole Time Director
DIN : 06543317

(Neerja Mandiya)
(Company Secretary)

(C.S. Sharma)
C.F.O.

CA. Sneha Mantri
Proprietor
M.No. 512148

UDIN : 20512148AAAAAAB4879

Place : Indore

Date : 28.07.2020



Notes forming part of Financial Statements

CIN - L28121MP1995PLC009170

1. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

A] Basis for preparation:

i. Compliance with Ind AS

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

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

ii. Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention except:

- a) Certain financial assets that are measured at fair value.
- b) Defined benefit plans measured at fair value.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle (12 months) and other criteria set out in Schedule III to the Act.

B] Use of Judgements and Estimates

The estimates and judgements used in the preparation of financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors that were reasonable under the circumstances. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C] Functional and Presentation Currency

The functional and presentation currency of the company is the Indian Rupees (₹).

D] Foreign Currency Transaction

The transactions in foreign currencies are recorded at the rate prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Exchange gains/ losses on settlement and on conversion of monetary items denominated in foreign currency are dealt with in the profit and loss account.

E] Property, Plant and Equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they are incurred.

F] Depreciation

Depreciation on property, plant and equipment has been provided on useful life of the assets as prescribed in the Schedule II to the Companies Act, 2013. Assets which are purchased, sold or scrapped during the year, depreciation has been



provided on pro-rata basis. The estimated useful life of items of Property, Plant & Equipments are as follows:

Type of Asset	Estimated Useful life	Type of Asset	Estimated Useful life
Building	30	Computer	3
Plant & Machinery	15	Air Conditioner	10
Dies & Tools	15	ETP	15
Office Equipments	5	Vehicles	10
Laboratory Equipments	10	Vehicles	8
Electrical Installations	10	Fire Fighting Equipments	5
Furniture & Fixture	10		

The residual values and useful lives of Property, Plant & Equipments are reviewed at each financial year and adjusted prospectively.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit & Loss.

G] Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

(1) Financial Assets:

The company classifies its financial assets as follows:

- a) Financial Assets at amortised cost : Assets that are held for collection of contractual cash flows where these cash flows represent solely payments of principal and interest are measured at amortised cost.
Financial assets are measured initially at fair value and subsequently carried at amortised cost using the effective interest method. Financial assets at amortised cost are represented by security deposits with others.
- b) Fair value of current assets such as trade receivables, cash and cash equivalents approximate their carrying amounts largely due to short term maturities.

(2) Financial Liabilities:

- a) Fair value of current liabilities such as trade payables, borrowings and other financial liabilities approximate their carrying amounts due to short term maturities.

H] Inventories

Inventories of raw materials, work in progress, stores and spares, finished goods and stock in trade are stated at the lower of cost or net realizable value. Cost is determined on the basis of FIFO method. The cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

I] Cash & Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, Credit Balance in Bank accounts other short term highly liquid investments with original maturities of three months that are readily convertible to known amounts of cash.

J] Employee Benefits

a. Short Term Benefits:

Liabilities for wages and salaries benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.



- b. Defined Contribution Plans:
Payments to defined contribution plan viz. government administered provident funds and ESIC are recognized as an expense when employees have rendered service entitling them to contributions.
- c. Post Employment / Termination Benefits:
Company has established a separate fund with Life Insurance Corporation of India. Liability on these benefits is calculated and provided based on actuarial valuation provided by independent actuary using "Projected unit credit" method.

K] Borrowing Cost

Borrowing cost that is attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as an expense in the period in which they are incurred.

L] Income tax

a) Current tax:

The current income tax expense is the tax payable on the current period's taxable income based in accordance with local laws of jurisdictions where the company operates. Tax payable is calculated using the tax rates that have been enacted by the end of the reporting period.

b) Deferred Tax:

Deferred tax is recognized using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting on the reporting date.

Deferred tax are recognized to the extent it is probable that taxable profit will be available against which the deductible differences against which the temporary differences and losses will be adjusted. Tax rate used to compute the tax is those that have been enacted by the end of the reporting period.

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

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

M] Revenue Recognition

The Company derives revenue primarily from sale of manufactured and traded goods. Effective from 01st April 2018, the company has adopted Ind AS 115 – 'Revenue from contracts with customers' which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the standard on the financial statements of the company is insignificant.

Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

The Performance Obligations in our contracts are fulfilled at the time of dispatch or delivery.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and service tax etc. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Interest income is recognised on accrual basis or by using the effective interest method, wherever applicable.

N] Earning per share

The company presents Basic and Diluted earnings per share data for its equity shares. Basic and diluted earnings per share are calculated by dividing the profit or loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.



O] Provisions, Contingent Liabilities and Assets:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Disclosure is not made if the possibility of an outflow of future economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise a contingent asset.

P] Research & Development:

Capital expenditure on research and development is treated in the same way as expenditure on Fixed Assets. The revenue expenditure on Research & Development is written off in the year in which it is incurred.

Q] Impairment :

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them, as impairment loss and the same is charged to profit & loss account. Based on the aforesaid review, the Company is of opinion that there is no impairment of any of its fixed assets as at 31st March 2020.

R] Fair Value Measurement:

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level:1 The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) Level:2 The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) Level:3 The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

Notes Forming Part of Financial Statement

CIN - L2812IMP1995PLC009170

2. Property Plant & Equipment

	Leasehold Land	Building	Plant & Machinery	Dies & Tools	Office Equipments	Laboratory Equipments	Electrical Installations	Furniture & Fixtures	Computer	Air Conditioner	ETP	Vehicles	Fire Fighting Equipments	Total
Gross carrying Amount														
Balance as at 1.04.2018	465,016	7,458,021	12,967,411	1,558,863	103,156	44,178	89,960	282,354	85,537	67,499	1	1,432,406	1	24,554,403
Additions			214,403	207,193				211,146	73,334	21,875		5,296,160		6,024,111
Disposals														
Reclassification as held for sale														
Balance as at 31.03.2019	465,016	7,458,021	13,181,814	1,766,056	103,156	44,178	89,960	493,500	158,871	89,374	1	6,728,566	1	30,578,514
Impact on Account of Adoption of Ind AS 116	23,540													23,540
Balance as at 1.04.2019	488,556	7,458,021	13,181,814	1,766,056	103,156	44,178	89,960	493,500	158,871	89,374	1	6,728,566	1	30,602,054
Additions		2,912,380	339,800	3,478,129	521,738	41,500		520,511	57,254			343,241		7,871,312
Disposals			74,519											417,760
Reclassification as held for sale														
Balance as at 31.03.2020	488,556	10,370,401	13,447,095	5,244,185	624,894	85,678	89,960	1,014,011	216,125	89,374	1	6,385,325	1	38,055,606
Accumulated Depreciation														
Balance as at 1.04.2018	-	1,286,260	1,935,089	192,497	58,654	15,705	57,552	29,372	45,852	13,705	-	578,866	-	4,213,552
Additions		643,600	997,511	122,536	10,099	5,013	21,755	43,037	33,206	10,618	-	533,821	-	2,421,196
Disposals														
Reclassification as held for sale														
Balance as at 31.03.2019	-	1,929,860	2,932,600	315,033	68,753	20,718	79,307	72,409	79,058	24,323	-	1,112,687	-	6,634,748
Impact on Account of Adoption of Ind AS 116	390,845													390,845
Balance as at 1.04.2019	390,845	1,929,860	2,932,600	315,033	68,753	20,718	79,307	72,409	79,058	24,323	-	1,112,687	-	7,025,593
Additions	16,285	651,499	989,378	233,615	62,980	7,525	10,536	53,296	42,080	10,804		789,423		2,867,421
Disposals			8,368									326,079		334,447
Reclassification as held for sale														
Balance as at 31.03.2020	407,130	2,581,359	3,913,610	548,648	131,733	28,243	89,843	125,705	121,138	35,127	-	1,576,031	-	9,558,567
Net Carrying Amount														
Balance as at 31.03.2019	465,016	5,528,161	10,249,214	1,451,023	34,403	23,460	10,653	421,091	79,813	65,051	1	5,615,879	1	23,943,766
Balance as at 31.03.2020	81,426	7,789,042	9,533,485	4,695,537	493,161	57,435	117	888,306	94,987	54,247	1	4,809,294	1	28,497,039



Notes Forming Part of Financial Statement

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.
3. Other Financial Assets		
Security Deposits with Government authorities	430,620	431,254
Total	430,620	431,254
4. Inventories (at lower of cost or net realisable value)		
Raw Material	12,400,799	22,939,356
Finished Goods	8,819,989	5,433,116
Work In Process	7,858,811	8,026,433
Stock-in-Trade	340,912	340,360
Stores and Spares	558,030	135,311
Scrap	667,067	423,197
Total	30,645,608	37,297,773
5. Trade Receivables		
Considered good- Secured	-	-
Considered good - Unsecured	60,469,469	37,087,688
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
	60,469,469	37,087,688
Less: Impairment loss allowance		
Total	60,469,469	37,087,688
6. Cash and Cash Equivalents		
Cash in Hand	879,432	102,290
Balance In Current Accounts with Scheduled Bank	4,359,629	8,951,352
Total	5,239,061	9,053,642
7. Other Current Financial Assets		
Security Deposits with Others	346,900	326,900
Total	346,900	326,900
8. Current Tax Assets (Net)		
Advance Income Tax (Net of Provision)		698,863
Total	-	698,863
9. Other Current Assets		
Amount Lying with Government Authorities	1,205,584	860,024
MAT Credit Available	-	609,593
Prepaid Insurance & Expenses	366,499	116,688
Advance to Supplier	945,849	5,327,045
Advance to Staff	25,000	-
Defined Benefit Asset	-	748,179
Total	2,542,932	7,661,529



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.
10. Share Capital		
Authorised		
6000000 Equity Shares of Rs. 10/- each		
[Previous Year : 6000000 Equity Shares of Rs. 10/- each]	60,000,000	60,000,000
Issued and Subscribed		
4875100 Equity Shares of Rs. 10/- each.	48,751,000	48,751,000
[Previous Year : 4875100 Equity Shares of Rs. 10/- each]		
Total	48,751,000	48,751,000
Paid up		
4875100 Shares of Rs.10/- each fully paidup	48,751,000	54,380,000
Previous Year : 5438000 Equity Shares of Rs. 10/- each]		
Less:- Calls in Arrears	-	-
Less:- Calls revoked on Shares Forfeited	-	2,728,000
Less: Shares Forfeited	-	2,901,000
Total	48,751,000	48,751,000
A. Reconciliation of Shares:		
Number of Shares as at April, 1	4,875,100	5,438,000
Add: Shares issued during the year	-	-
Less: Shares forefeited during the year	-	562,900
Number of shares as at March, 31	4,875,100	4,875,100
B. List of Share holders having 5% or more Shares (In Nos)		
Name Of Shareholders		
Narendra Kumar Gorani	801800 (16.45%)	801,800 (16.45%)
Online Appliances LLP.	840600 (17.24%)	840,600 (17.24%)
Sanjay Gorani	879300 (18.04%)	649,300 (13.32%)
Shanta Devi Gorani	285200 (5.85%)	285,200 (5.85%)
Anil Gorani	553300 (11.35%)	548,600 (11.25%)
Lavekush Gadiya	-	378,000 (7.75%)

C. Details of shares forefeited

PARTICULARS	As at 31 March, 2020		As at 31 March, 2019	
	No. of shares	Amount originally paid up	No. of shares	Amount originally paid up
Equity shares with voting rights	-	-	562,900	2,901,000



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

11. Other Equity

	Reserve & Surplus		Total
	Capital Reserve	Retained Earnings	
As At 1, April 2018	-	(12,306,424)	(12,306,424)
Profit for the year	-	5,645,537	5,645,537
Other comprehensive income	-	614,325	614,325
Total comprehensive income	-	6,259,862	6,259,862
Share Forefeited during the year	2,901,000		2,901,000
Balance as on 31, March 2019	2,901,000	(6,046,562)	(3,145,562)
As At 1, April 2019	2,901,000	(6,046,562)	(3,145,562)
Impact on account of Adoption of IND AS 116		(378,033)	(378,033)
	2,901,000	(6,424,595)	(3,523,595)
Profit for the year		6,490,674	6,490,674
Other comprehensive income		(714,904)	(714,904)
Total comprehensive income		5,775,770	5,775,770
Balance as on 31, March 2020	2,901,000	(648,825)	2,252,175

Note : During the year 2018-19, Rs. 10,39,000 received against calls-in-arrears on 2,20,900 shares and as a result all of these shares became fully paid-up. All the remaining 5,62,900 partly paid shares on which Rs. 29,01,000 had been received earlier due to non receipt of balance call money were forfeited on 5th October 2018.

PARTICULARS	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.
12. Financial Liabilities		
Borrowings (non-current)		
Secured		
Car Loan from Yes Bank Ltd.	978,238	1,954,927
(Car loan is secured by Hypothecation of Car- Installments due in next 12 Months is Rs. 976689/- and in Previous Year Rs. 890392/-)		
Total	978,238	1,954,927
13. Provisions		
Provision for Gratuity (Net of Plan Asset)	235,797	-
Total	235,797	-
14. Deferred Tax Liabilities		
Net Deferred tax liabilities (Refer Note 32)	2,126,573	2,239,627
Total	2,126,573	2,239,627
15. Borrowings		
Secured		
Banks- Cash Credit	24,315,163	17,536,039
(The working capital loan is secured by Hypothecation of current assets i.e. Stock & Book Debts etc. of the company and Equitable mortgage on leasehold property situated at Plot No. 32 and 33, Sector F, Sanwer Road, Industrial Area, Indore, loan is also guaranteed by the Directors and for previous year the working capital loan is secured by a first charge on all the current assets Hypothecation of Stock & Book Debts of the company. And by way of second charge on fixed assets loans are also guaranteed by the Directors.)		



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.
Unsecured		
From Directors	7,899,637	15,193,037
From Promoters	-	14,800,000
(As per Stipulation of the sanction of CC limit by Axis Bank and for previous year by Central bank of India)		
Total	32,214,800	47,529,076
16. Trade Payables		
Total Outstanding dues of Micro and Small Enterprises	2,279,984	5,914,687
Total Outstanding dues of Creditors other than Micro and Small Enterprises	29,632,440	10,561,874
Total	31,912,424	16,476,561

1. Trade Payables includes Rs. 22,79,983 (Previous Year Rs. 59,14,687) due to creditors registered with the Micro, Small and Medium Enterprises Development Act, 2006
2. No Interest is Paid/ Payable during the year to Micro, Small and Medium Enterprises.
3. The Above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of the supplier under the MSME Act.

PARTICULARS	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.
17. Other Financial Liabilities		
Current maturities of long term debts (within 12 Months)	976,689	890,392
Lease Liability	9,329	-
Liability for Expenses	5,995,555	2,709,308
Total	6,981,573	3,599,700
18. Other Current Liabilities		
Advances From Customers	2,283,456	1,133,767
Taxes Duties and Other Payables	391,398	338,765
Total	2,674,854	1,472,532
19. Current Tax Liability (Net)		
Income tax payable (Net of Advance Tax, TDS for 2020 and MAT Credit)	108,587	-
Total	108,587	-
20. Revenue from Operation		
Sales		
Manufactured Goods	214,178,450	202,506,240
Trading Goods	133,269	1,646,717
Total	214,311,719	204,152,957
Details of Sales (Manufactured Goods)		
Steel Frame and others	8,965,900	10,613,440
L.P.G. Stoves	83,713,200	81,740,500
Gas Geysers	85,264,200	66,302,500
Rangehood (Chimney)	36,235,150	43,849,800
	214,178,450	202,506,240
Trading Goods	133,269	1,646,717
Total	214,311,719	204,152,957



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.
21. Other Income		
Interest	519,699	24,969
Insurance Claim	-	88,193
Foreign exchange gain	-	821,047
Total	519,699	934,209
22. Cost of Material Consumed		
Raw Materials' Consumed		
Stock at the beginning of the year	22,939,356	41,264,942
Add: Purchases	160,966,594	151,007,651
Less : Stock at the end of the year	(12,400,799)	(22,939,356)
	171,505,151	169,333,237
Details of Raw Material Consumed		
Iron & Steel	47,226,514	36,348,519
Other Raw Materials	8,094,331	2,074,268
Components & Stores	102,251,457	119,979,592
Packing Materials	13,932,849	10,930,858
	171,505,151	169,333,237
23. Change in Inventories		
Inventories at the Beginning of the Year		
Work-in Process	8,026,433	4,289,694
Finished Goods	5,433,116	3,055,571
Traded Goods	340,361	129,662
Scrap	423,197	245,298
	14,223,107	7,720,225
Less: Inventories at the End of the Year		
Work-in-Process	7,858,811	8,026,433
Finished Goods	8,819,989	5,433,116
Traded Goods	340,912	340,361
Scrap	667,067	423,196
	17,686,779	14,223,106
	(3,463,672)	(6,502,881)
24. Employee Benefit Expenses		
Salaries, Wages, Bonus etc.	12,366,830	9,982,982
Contribution to PF, ESIC & Other Statutory Funds	1,761,478	1,713,755
Workmen and Staff Welfare Expenses	223,611	110,715
Director Remuneration	5,200,000	4,200,000
Current Service Cost	467,356	510,061
Interest Cost	(55,739)	(51,921)
Total	19,963,536	16,465,592



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.
25. Finance Costs		
Interest to bank	1,930,705	1,601,760
Bank Charges	727,024	344,280
Finance Cost on Lease Liability	829	-
Total	<u>2,658,558</u>	<u>1,946,040</u>
26. Other Expenses		
Direct Expenses		
Consumptions Of Store and Spares	809,893	759,673
Power and Fuel	3,604,319	3,076,110
Repairs To - Plant & Machinery	436,711	470,684
Repairs To - Dies	1,130,501	1,206,156
Repairs To - Electric	245,284	133,172
Laboratory Expenses	60,007	33,086
Other Factory Expenses	253,280	80,256
SUB TOTAL	<u>6,539,995</u>	<u>5,759,137</u>
Administrative and Other Expenses		
Insurance	148,714	125,181
Rent,Rates and Taxes	1,075,432	973,443
Office Expenses	99,577	98,407
ISO 9000 & Certification	24,000	-
Legal & Professional Charges	823,900	2,558,455
Books & Periodicals	4,787	4,423
Penalty & Fine	23,510	15,000
Share listing, Demat & Registrar Exp.	398,104	425,807
Postage & Courier	132,392	116,127
Telephone Expenses	69,899	94,966
Stationery & Printing	71,303	112,304
Director's Travelling & Conveyance	43,918	98,627
Payment to Auditors:		
For Statutory Audit	65,000	65,000
For Tax Audit	15,000	15,000
For Others	10,000	10,000
Registration & Fees	69,788	88,541
VAT & CST after Assesment	68,989	18,657
Balances Written OFF	(80)	(6,112)
Foreign Exchange Loss	965,407	-
Vehicle Running & Maintenance	325,952	149,038
Loss on sale of Asset	3,813	-
SUB TOTAL	<u>4,439,405</u>	<u>4,962,864</u>
Selling & Distribution Expenses		
Advertisement & Publicity	50,095	42,602
Business Promotion	51,483	-
Marking Fee	380,137	183,111
Freight Outwards	716,324	470,091
SUB TOTAL	<u>1,198,039</u>	<u>695,804</u>
TOTAL	<u>12,177,439</u>	<u>11,417,805</u>



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

27. Related Party Transactions

Related party disclosures, as required by Indian Accounting Standard 24, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India for the year ended 31st March, 2020 are given below:

Name of the related parties and relationship

(a) Associate Companies

M/s Blow Hot Kitchen Appliances Private Limited

(b) Key Management Personnel and their relatives

Mr. Sanjay Gorani	Managing Director
Mr. Anil Gorani	Whole Time Director
Mr. Nakul Gorani	Whole Time Director
Mr. Narendra Gorani (Proprietor of Gangotri Industries)	Relative of Director
Mrs. Manju Gorani	Relative of Director
Mr. C.S.Sharma	CFO
Ms. Neerja Mandiya	Company Secretary

(c) The transactions entered into with the related parties during the year along with related balances as at 31st March 2020 are as under:

Nature of Transaction	Related Parties Referred Above in	
	(a)	(b)
Interest Received	494,444	-
	-	-
Consultancy Fees	-	-
	-	(1,800,000)
Loan Taken	-	-
	-	(375,000)
Repayment of Loan	-	22,093,400
	-	-
Amount Outstanding as at Balance Sheet Date	-	7,899,637
	-	(29,993,037)
Managerial Remuneration	-	5,200,000
	-	(4,200,000)
Remuneration to other KMP (CFO, CS)	-	390,000
	-	(387,000)
Sale of Goods	25,282,513	10,548,338
	(18,416,190)	(14,223,664)
Purchase of Goods	5,068,906	1,107,520
	-	(4,727,617)
Sale of Assets	-	52,510
	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

Particulars	Loan taken	Loan Repaid	Amount Outstanding	Managerial Remuneration
Mr. Sanjay Gorani	- -	7,293,400 -	- (7,293,400)	2,300,000 (1,800,000)
Mr. Nakul Gorani	- -	- -	5,199,237 (5,199,237)	1,700,000 (1,200,000)
Mr. Anil Gorani	- (375,000)	- -	2,700,400 (2,700,400)	1,200,000 (1,200,000)
Mr. Narendra Gorani	- -	13,500,000 -	- (13,500,000)	- -
Mrs. Manju Gorani	- -	1,300,000 -	- (1,300,000)	- -
Total	- (375,000)	22,093,400 -	7,899,637 (29,993,037)	5,200,000 (4,200,000)

Particulars	Gross Purchases	Gross Sales	Interest Received	Consultancy Fees Paid	Sale of Assets
M/s Blow Hot Kitchen Appliances Private Limited.	5,068,906 -	25,282,513 (18,416,190)	494,444 -	- -	- -
Mr. Narendra Gorani (Proprietor of Gangotri Industries)	1,107,520 (4,727,617)	10,548,338 (14,223,664)	- -	- -	52,510 -
Mr. Narendra Gorani	- -	- -	- -	- (1,800,000)	- -

Details of Maximum Amount O/s during the year

Particulars	Amount (In Rs.)
Shri Sanjay Gorani	7,293,400
Shri Nakul Gorani	5,199,237
Shri Anil Gorani	2,700,400
Shri Narendra Gorani	13,500,000
Smt. Manju Gorani	1,300,000
Total	29,993,037



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

28. Post Retirement Benefit Plans Gratuity:

PARTICULARS	As at 31/03/2020	As at 31/03/2019
A. Amount recognized in Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	7,005,694	5,621,904
Fair Value of Plan Assets at the end of the Period	6,769,897	6,370,083
Funded Status (Surplus)/ Deficit	235,797	(748,179)
Unrecognised Past Service Cost/(Credit)	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	235,797	(748,179)

PARTICULARS	As at 31/03/2020	As at 31/03/2019
B. Amount recognized in the Statement of Profit & Loss as Employee Benefit Expense		
Current Service Cost	467,356	510,061
Net Interest Cost	387,733	395,572
Expected Return on Plan Assets	(443,472)	(447,493)
Past Service Cost	-	-
(Gain)/ Loss due to Settlements/Curtailments/Acquisitions/Divestitures	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Expense Recognized	4,11,617	4,58,140

PARTICULARS	As at 31/03/2020	As at 31/03/2019
C. Amount recognized in Other Comprehensive Income for the Current Period		
Amount Recognized in OCI, Beginning of the Period	(2,237,088)	(1,406,919)
Remeasurements Due To:-		-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(440)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	406,330	77,578
Actuarial (Gains)/Losses on Obligations - Due to Experience	556,362	(902,719)
Return on Plan Asset (Excluding Interest)	(3,834)	5,028
Total remeasurements Recognised in OCI	(1,271,002)	(2,237,088)
Amount Recognized in OCI, End of the Period	(1,271,002)	(2,237,088)



NOTES FORMING PART OF FINANCIAL STATEMENTS

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PARTICULARS	As at 31/03/2020	As at 31/03/2019
D. Table showing Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the beginning of the period	5,621,904	5,541,412
Interest Cost	387,733	395,572
Current Service Cost	467,356	510,061
Actual Benefits Paid	(433,551)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(440)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	406,330	77,578
Actuarial (Gains)/Losses on Obligations - Due to Experience	556,362	(902,719)
Past Service Cost	-	-
Present Value of Benefit Obligation at the end of the period	70,05,694	56,21,904

PARTICULARS	As at 31/03/2020	As at 31/03/2019
E. Table showing Change in the Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the period	6,370,083	5,849,588
Interest Income	443,472	447,493
Actual Enterprises Contribution	393,727	67,974
Actual Benefits Paid	(433,551)	-
Actuarial (Gains)/Losses	(3,834)	5,028
Present Value of Benefit Obligation at the end of the period	67,69,897	63,70,083

PARTICULARS	As at 31/03/2020	As at 31/03/2019
F. Assumptions		
Financial Assumptions		
Discount Rate	6.55%	7.45%
Salary Escalation Rate	7.00%	7.00%
Expected Return on Asset	6.55%	7.45%
Demographic Assumptions		
Withdrawal rate	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Retirement Age	60 Years	60 Years



NOTES FORMING PART OF FINANCIAL STATEMENTS

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PARTICULARS	As at 31/03/2020		As at 31/03/2019	
	Decrease	Increase	Decrease	Increase
G. Sensitivity Analysis				
Projected Benefit Obligation on Current Assumptions(Base)	7,005,694		5,621,904	
Discount Rate	7,252,991	6,774,138	5,825,200	5,431,740
Impact of Increase/Decrease in 50 bps on DBO	3.53%	-3.31%	3.62%	(3.38)%
Salary Growth rate	6,774,806	7,248,520	5,430,100	58,225,102
Impact of Increase/Decrease in 50 bps on DBO	(3.30)%	3.47%	(3.41)%	3.61%

"Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period."

H. Maturity Analysis of Projected Benefit Obligation

Projected Benefits Payable in Future Years From the Date of Reporting

PARTICULARS	As at 31/03/2020	As at 31/03/2019
Year 1	1,529,744	834,874
Year 2	474,449	755,214
Year 3	553,800	502,781
Year 4	610,751	450,758
Year 5	463,707	494,844
Year 6 to 10	2,597,055	2,237,816

29. Payments to Statutory Auditors

	<u>2019-20</u>	<u>2018-19</u>
Statutory Audit	65,000	65,000
Tax Audit Fees	15,000	15,000
Other Services	10,000	10,000
	<u>90,000</u>	<u>90,000</u>

30. Earnings per Share

	<u>2019-20</u>	<u>2018-19</u>
Earnings attributable to the owners of the company	6,490,674	5,645,537
Weighted average number of equity shares	4,875,100	5,165,032
Earnings per share from continuing operations - Basic & Diluted	<u>1.33</u>	<u>1.09</u>



NOTES FORMING PART OF FINANCIAL STATEMENTS

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31. Leases

During the year ended March 31, 2020 the Company has adopted Ind AS 116 – “Leases” with effect from April 01, 2019 and applied the standard to its leases retrospectively. In accordance with the requirements of the standard, the lease liability at the present value of remaining lease payments at the date of initial application i.e. April 01, 2019 has been recognised and “Right to use assets” has been recognised at an amount equal to the “Lease liability” as at that date. In the Statement of Profit and Loss for the current period, the nature of expenses in respect of leases has changed from lease rent in previous periods to depreciation cost for “Right to use lease assets” and interest accrued on “Lease liability”. The Company has not restated the comparative information in this respect.

As a Lessee

Changes in carrying value of right of use assets

Particulars	2019-20
Balance as at 1st April, 2020	97,711
Addition	
Deletion	
Depreciation	(16,285)
Balance as at 31st March, 2020	81,426

Interest expense on lease liability & Movement in lease liability

Particulars	2019-20
Balance as at 1st April, 2020	10,728
Addition	
Interest Expense	829
Payment of lease liability	(2,228)
Balance as at 31st March, 2020	9,329

Maturity analysis of lease liability on undiscounted basis

Particulars	2019-20
Less than one year	2,228
One to two years	4,456
Two to five years	4,456

Total Cash Outflow on account of lease liabilities for the year ended March 31, 2020 amounts to Rs. 2228

Notes Forming Part of Financial Statement

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32. The movement in deferred tax assets and liabilities for the year ended 31st March 2019 and 31st March 2020

PARTICULARS	Year ended 31st March, 2020				Year ended 31st March, 2019			
	As at 1st April, 2019	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2020	As at 1st April, 2018	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at 31st March, 2019
Provision for Employee Benefits	(578,125)		251,182	(326,943)	(362,281)		(215,844)	(578,125)
Depreciation	(1,780,618)	(19,012)		(1,799,630)		(1,780,618)		(1,780,618)
Expenses Allowable for Tax Purpose when paid	119,116	(119,116)		-	119,116			119,116
Total	(2,239,627)	(138,129)	251,182	(2,126,573)	(362,281)	(1,661,502)	(215,844)	(2,239,627)

Reconciliation of Effective Tax Rate

The reconciliation between the statutory income tax rate applicable to the company and the effective tax rate of the company is as follows:

	Year ended 31st March, 2020	Year ended 31st March, 2019
Statutory income tax rate	26.00%	26.00%
Difference due to:		
Expenses not deductible for tax purposes	1.68%	1.6%
Previous Year Tax adjustment	0.079%	-
Expenses deductible for tax purposes	-1.28%	-4.2%
Depreciation	-0.07%	0.1%
Unabsorbed depreciation set off	-	-12.5%
First time creation of deferred tax	1.5%	20.2%
Effective Tax Rate	27.94%	31.3%

33. Financial Instruments - Accounting Classification and fair values

31st March 2020	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Cost/Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:								
Other Financial Assets:								
(i) Security Deposits with Government Authorities	-	-	430,620	430,620	-	-	-	-
(ii) Security Deposits with Others	-	-	346,900	346,900	-	-	-	-
(iii) Trade Receivables	-	-	60,469,469	60,469,469	-	-	-	-
(iv) Cash & Cash Equivalents	-	-	5,239,061	5,239,061	-	-	-	-
Total	-	-	66,486,050	66,486,050	-	-	-	-



Notes Forming Part of Financial Statement
CIN - L28121MP1995PLC009170

31st March 2020	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities:								
Borrowings	-	-	978,238	978,238	-	-	-	-
Borrowings	-	-	32,214,800	32,214,800	-	-	-	-
Trade Payables	-	-	31,912,424	31,912,424	-	-	-	-
Other Financial Liabilities	-	-	6,981,573	6,981,573	-	-	-	-
Total	-	-	72,087,034.17	72,087,034.17	-	-	-	-
31st March 2019	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:								
Other Financial Assets:								
(i) Security Deposits with Government Authorities	-	-	431,254	431,254	-	-	-	-
(ii) Security Deposits with Others	-	-	326,900	326,900	-	-	-	-
(iii) Trade Receivables	-	-	37,087,688	37,087,688	-	-	-	-
(iv) Cash & Cash Equivalents	-	-	9,053,642	9,053,642	-	-	-	-
Total	-	-	46,899,484	46,899,484	-	-	-	-
31st March 2019	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities:								
Borrowings	-	-	1,954,927	1,954,927	-	-	-	-
Borrowings	-	-	47,529,076	47,529,076	-	-	-	-
Trade Payables	-	-	16,476,561	16,476,561	-	-	-	-
Other Financial Liabilities	-	-	3,599,700	3,599,700	-	-	-	-
Total	-	-	69,560,264	69,560,264	-	-	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

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34. Financial Risk Management

a) Market risk

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchanges rates and interest rates which will affect the company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

The company is in the business of production, manufacturing and dealing in kitchen appliances and kitchenware which is one such sector within the overall household segment that has been in the limelight in recent past.

The company is in the process of making and implementing the strategies to capitalize available opportunities and minimizing the threats to ladder products across capacities, formats and prices. In addition to broad basing the product by customizing the model structure wity added features the company will put its every effort to maximize the internal accruals by way of input tax credit available in the GST law and by optimizing the product common costs so as to enable it to sustain profitability in the market.

Changing household and commercial lifestyles, economical availability of electricity, rising concerns regarding eco-friendly appliances are expected to be the key drivers of the kitchen appliances market size. Development of e-commerce distribution channels, emergence of information technology and the other smart technologies will support the overall kitchen appliances market.

(i) Interest rate risk

"Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. According to the company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used that represents management's assessment of the reasonably possible change in interest rates."

(ii) Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate is based on MCLR linked rates for its working capital loan.

	31st March, 2020	31st March, 2019
Total Borrowings	33,193,038	49,484,003
Borrowings out of above bearing variable rate of interest	24,315,163	17,536,039
% of Borrowings out of above bearing variable rate of interest	73.25%	35.44%

(iii) Interest Rate Sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax :

	2019-20	2018-19
50 bps increase would decrease the profit before tax by	121,576	87,680
50 bps decrease would increase the profit before tax by	(121,576)	(87,680)

(iv) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Company is not exposed to pricing risk as the Company does not have any investments in equity instruments and bonds.



NOTES FORMING PART OF FINANCIAL STATEMENTS

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b) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customer, taking into account the financial condition, and ageing of accounts receivable.

Ageing of Trade Receivables

Particulars	31st March 2020	31st March 2019
Not due	-	-
0-3 months	29,451,884	26,027,232
3-6 months	22,155,367	9,738,469
6-12 months	6,954,899	237,180
beyond 12 months	1,907,319	1,084,807
Total	60,469,469	37,087,688

c) Liquidity Risk

As no future expansion in the near future is expected company does not accrues contingent liabilities. The company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities as when they are due, under both normal and stressed conditions without incurring the unacceptable losses or risking damage to the company's reputations. As regard the company does not expect poor liquidity position in this scenario. Also the company have the system of properly controlled and speedy recovery from debtors generally.

Maturity patterns of Financial Liabilities

Particulars	31st March 2020	31st March 2019
Borrowings		
Within 1 year	32,214,800	47,529,076
1-3 year	978,238	1,954,927
3-5 year	-	-
Beyond 5 years	-	-
Total	33,193,038	49,484,003
Trade payables		
Within 1 year	26,203,739	14,955,295
1-3 year	5,708,685	1,521,266
3-5 year	-	-
Beyond 5 years	-	-
Total	31,912,424	16,476,561
Other Financial Liabilities		
Within 1 year	6,981,573	3,599,700
1-3 year	-	-
3-5 year	-	-
Beyond 5 years	-	-
Total	6,981,573	3,599,700



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

d) Currency Risk

Since the company have purchases from China which have foreign currency involvement and flexibility attached to it, however the same is not a threat, due to increasing demand and reputed products of the company coupled with speedy recovery from debtors. The company is well set to bear the short term losses on foreign rate fluctuation which is cushioned by the optimum inventory level mentioned by the company.

35. Capital Management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the equity balance. The Company's management manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

36. Contingent Liabilities and Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil. (Previous Year Rs. Nil).

37. In the opinion of the management and to the best of their knowledge and belief the value of realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

38. As per Ind AS 108 Operating Segments, there is no reportable segments and therefore no disclosures are made.

39. Additional Information pursuant to provisions of paragraph 5 (VIII) of part II of schedule III to the companies as certified by the Directors:

a) Details of Imported and Indigenous Raw Material, Stores & Spares Consumed:

	Current Year		Previous Year	
		%		%
Imported	88,421,596	51.31%	102,229,273	60.10%
Indigenous	83,893,448	48.69%	67,863,637	39.90%
	172,315,044	100.00%	170,092,910	100.00%

	Current Year		Previous Year	
b) Value of Imports calculated on CIF basis				
Raw Material/Components	70,907,401		71,469,487	
Others Goods	150,588		735,797	
c) Expenditure in foreign currency				
Foreign Travelling	-		-	
d) Earning in foreign exchange	-		-	

40. The Balances in the accounts of debtors, creditors, loans, advances and others are subject to confirmation and reconciliation. But no confirmation is called in last three year by the company.

41. The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year figures.

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)
Managing Director
DIN :- 00055531

(Anil Gorani)
Whole Time Director
DIN : 00055540

(Nakul Gorani)
Whole Time Director
DIN : 06543317

(Neerja Mandiya)
(Company Secretary)

(C.S. Sharma)
C.F.O.

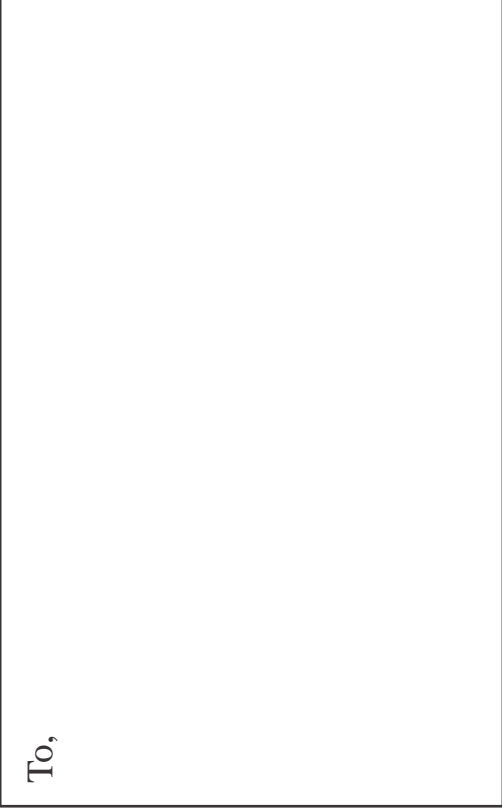
CA. Sneha Mantri
Proprietor
M.No. 512148
UDIN : 20512148AAAAAB4879

Place : Indore

Date : 28.07.2020

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