

# Veejay Terry Products Limited

**33<sup>rd</sup> Annual Report 2019 - 2020**

Board of Directors

Sri. J. Vijayakumar - [DIN 00002530]  
**Managing Director**

Directors :

Sri. N. Krishnasamaraj [DIN 00048547]  
Sri. K. Raghu [DIN 00406639]  
Smt. V. Mahitha [DIN 00002537]  
Sri. V. Venkatkumar - [DIN 06909735]  
**Executive Director**

Auditors

M/s. N.R.D Associates  
Chartered Accountants, Auditors  
Coimbatore 641 018

Registered Office

No. 8, A.T.T Colony  
Coimbatore 641 018  
Phone : 0422 2210132, 2214327  
Website : www.veejayterry.com  
Email : vjtpcbe@gmail.com

Bankers

Indian Bank, Main Branch  
Coimbatore 641 001

Registrars and  
Securities transfer Agents

SKDC Consultants Ltd  
Kanapathy Towers, 3<sup>rd</sup> Floor  
1391/A-1, Sathy Road, Ganapathy  
Coimbatore 641 006

Spinning Mill Division  
534/3, Karegoundenpalayam  
Coimbatore-Annur Road  
Annur, Coimbatore 641 697

Wind Mill Division  
Chinnaputhur&Chinnakkampalayam  
Villages, DharapuramTk, TirupurDt

## NOTICETO SHAREHOLDERS

NOTICE is hereby given that the 33<sup>rd</sup> Annual General Meeting ('AGM') of the Shareholders of Veejay Terry Products Limited will be held at **04.00 PM India Standard Time (IST) on Wednesday the 16<sup>th</sup> day of September, 2020**, through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business(es):-

### Ordinary Business:

1. To receive, consider and adopt the audited financial statements including Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss and Cash Flow Statement for the year ended as on that date together with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of N. Krishnasamaraj, (holding DIN 00048547), who retires by rotation and being eligible, offers himself for re-appointment.

### Notes :

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read with circulars No. 14 dated 8th April, 2020 and Circular No. 17 dated 13th April, 2020 (collectively referred to as "MCA Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. 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.
3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to [bk.scrutiniser@gmail.com](mailto:bk.scrutiniser@gmail.com) with a copy marked to the company at [vjtpcbe@gmail.com](mailto:vjtpcbe@gmail.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. There was no amount outstanding which has to be transferred to Investor Education and Protection Fund (the IEPF) established by the Central Government in pursuance to the provisions of section 124 (5) and 125 of the Companies Act, 2013.

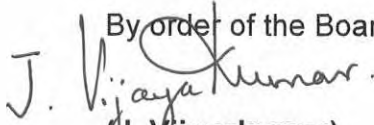
6. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including annual report, notices, circulars, etc., from the company electronically.**
7. **The Company has entered into agreements with National Securities Depository Limited (“NSDL”). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL. Members are encouraged to convert their holdings to electronic mode.**
8. **A member who needs any clarification on accounts or operations of the Company shall write to the Company at [vjtpcb@gmail.com](mailto:vjtpcb@gmail.com), so as to reach at least 7 days before the meeting. The same will be replied by the Company suitably, during the course of AGM or through separate e-mail.**
9. **In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website [www.veejayterry.com](http://www.veejayterry.com). Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.**
10. **Non-Resident Indian (“NRI”) Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately:**
  - a. **the change in the residential status on return to India for permanent settlement or**
  - b. **the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.**
11. **Pursuant to the provisions of Section 72 of the Companies Act, 2013, members may file nomination forms in respect of their physical shareholdings. Any member willing to avail this facility may submit to the company's registrar & share transfer agent in the prescribed statutory form. Should any assistance be desired, members should get in touch with the company's registrar and share transfer agent.**
12. **Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agent, for consolidation into a single folio.**
13. **Members are requested to forward their communications in connection with shares held by them directly to the Registrar and Share Transfer Agent of the Company M/s. SKDC Consultants Limited, Kanapathy Towers , 3rd Floor.1391/A-1, Sathy Road, Ganapathy, Coimbatore-641006.**
14. **In case of joint holders, 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 at the AGM.**
15. **Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.**

16. **Members may note that M/s. N R D Associates, Chartered Accountants, Coimbatore, (FRN: 005662S), the Statutory Auditors of the Company were appointed by the Shareholders at 30<sup>th</sup> Annual General Meeting held on 27th September, 2017, to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2022, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7th May 2018 has amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Accordingly, the original resolution appointing the Statutory Auditors passed by the Shareholders at their AGM held on 27th September, 2017 was amended vide an ordinary resolution approved by the Shareholders at their 31<sup>st</sup> AGM held on 5<sup>th</sup> September, 2018 and omitted the requirement for ratification of the appointment of statutory auditors by the shareholders at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this 33<sup>rd</sup> Annual General Meeting.**
17. **Pursuant to the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), the profile of the Directors seeking re-appointment at the Annual General Meeting are furnished and forms part of this Notice.**
18. **Members are requested to notify any change of address and bank details to their depository participants in respect of their holdings in electronic form and in respect of shares held in physical form to M/s. SKDC Consultants Limited, Kanapathy Towers, 3<sup>rd</sup> Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006, the Registrar and Share Transfer Agent (RTA) of the company.**
19. **With effect from 2<sup>nd</sup> October 2018, the application for transfer of shares held in physical form will not be processed except in the case of transfer / transposition. Accordingly, members who intend to transfer their shares shall get such shares dematerialised before transfer. The Company has obtained the ISIN with National Securities Depository Limited (NSDL) and shares of the Company are eligible for dematerialisation under ISIN: INE01SK01018. Accordingly, the Company / the Registrar and Share Transfer Agent (RTA) shall not be able to entertain any request for transfer of shares in physical form.**
20. **Soft copies of the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members who request for the same, during the AGM.**
21. **As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the Company to serve documents in electronic mode.**

**Voting through Electronic Means :**

The detailed procedures to be followed with regard to Voting through Electronic Means has been given in Annexure – A to the notice. The members are requested to go through them carefully.

Coimbatore  
20<sup>th</sup> July, 2020

By order of the Board  
  
(J. Vijayakumar)  
Managing Director  
(DIN: 00002530)

**Details of Directors seeking re-appointment in pursuant of Secretarial Standards(SS-2)**

Name	Sri. N. Krishnasamaraj	
DIN	DIN 00048547	
Date of Birth / Nationality	26-03-1955 / Indian	
Date of appointment on the Board	07-11-1994	
Inter-se relationship with other directors	Name of the Director	Relationship
	Brother of Smt. V. Mahitha	Nil
Qualification	B.E., M.B.A.,	
Expertise in area	An Engineering Graduate with a Masters in Business Administration from the University of Michigan, USA. He has over 12 years working experience in the USA and Europe.	
No. of shares held	3,000	
Terms and conditions of appointment / re-appointment	Retires by rotation and eligible for reappointment.	
Remuneration last drawn	Rs. 15,000/- [Sitting fee paid for attending Board Meetings]	
Remuneration sought to be paid	Sitting fee for attending Meetings of Board of Directors	
Number of Board meetings attended during the year	Three	
Directorships held in other companies	<ol style="list-style-type: none"> <li>1. Magna Electro Castings Ltd</li> <li>2. Chandra Textiles P Ltd</li> <li>3. Magna Digttech India LLP</li> <li>4. Foundries Development Foundation</li> <li>5. Shanthi Gears Ltd</li> </ol>	
Chairmanship / Membership in other Committees	<ol style="list-style-type: none"> <li>1. Magna Electro Castings Limited - <ol style="list-style-type: none"> <li>a. Stakeholders Relationship Committee (Member)</li> <li>b. CSR Committee (Member)</li> </ol> </li> </ol>	

**Annexure A to the notice**  
**Instructions for the voting through electronic means**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), and Secretarial Standard on General Meetings (SS - 2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting ("remote e-voting") using an electronic voting system provided by National Securities Depository Ltd ('NSDL') as an alternative, for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting/e-voting during AGM. The instructions provided hereafter for e-voting explain the process and manner for generating / receiving the password, and for casting of vote(s) in a secure manner. However, the Members are requested to take note of the following items.

- I. The remote e-voting period commences on Sunday, September 13 , 2020 (09:00 am) and ends on September 15 , 2020 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 9 , 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

- II. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

(iii) Click on Shareholder - Login

(iv) Put your user ID and password. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "Veejay Terry Products Limited".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.



- (xii) Institutional 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [bk.scrutiniser@gmail.com](mailto:bk.scrutiniser@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- IV. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).*
- In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).*
- In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).*
- V. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **September 9 , 2020**.
- VII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **September 9 , 2020** , may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@skdc-consultants.com](mailto:info@skdc-consultants.com)
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- VIII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- X. **Mr. B. Krishnamoorthy, Chartered Accountant (Membership No. 020439)** has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XI. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
1. Only those Members / shareholders, who will be 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 in the EGM/AGM.
  2. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the EGM/AGM.

3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- XII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.veejayterry.com](http://www.veejayterry.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

***Instructions for Shareholder / Members desirous to attend the AGM through VC/OAVM are as under:***

1. Shareholder / Member entitled to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the 33<sup>rd</sup> Annual Report 2019-20 same at [www.veejayterry.com](http://www.veejayterry.com) and <https://www.evoting.nsdl.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 EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number / folio number, email id, mobile number at [vjtpcb@gmail.com](mailto:vjtpcb@gmail.com) on or before 05.00 PM IST on September 9, 2020. The same will be replied by the Company suitably
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
8. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 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 Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

## DIRECTORS' REPORT TO SHAREHOLDERS

Dear Shareholder,

Your Directors have pleasure in presenting the 33<sup>rd</sup> Annual Report along with audited accounts for the year ended 31<sup>st</sup> March, 2020.

### Financial Results

		2019-.20	2018-.19
		(Rs. In lacs)	
Profit before interest and Depreciation	(-)	10.79	198.20
Interest		79.82	98.42
		-----	-----
Profit (+) / Loss (-) before Depreciation	(-)	90.61	99.78
Depreciation		107.96	109.50
		-----	-----
Profit (+) / Loss (-) before Taxes	(-)	198.57	(-) 9.72
<b><u>Less / Add : Taxes</u></b>			
Deferred Tax	(+)	51.57	13.93
		-----	-----
Profit (+) / Loss (-) After Tax	(-)	147.00	4.21
Add:			
Balance Brought forward from Profit & Loss Account	(-)	137.63	(-) 141.84
		-----	-----
Profit (+) / Loss (-) available for appropriation	(-)	284.63	(-) 137.63
		=====	=====

### Performance and Operations

The company is sailing through hard times during past few years and is managing to operate amidst all odds which the spinning industry had not witnessed in the previous decades. During the year 2019 – 20, the demand for cotton yarn was severely affected and the cotton prices stood at very high levels. Due to poor off-take in the domestic market, inventory levels of the finished goods were very much on the higher side during the year. These factors have lead us to curtailing the production in most of the months of the financial year. The total output in the spinning mill division was 881 metric tons of yarn, as against 1,049 metric tons during the year 2018-19.

The activities of the company has come to a standstill due to the nationwide lockdown announced by Government of India on account of pandemic COVID19 from 25<sup>th</sup> March, 2020. This may lead to disturbances in the operations of the company in the financial year 2020-21 and steep fall both in turnover and profits.

The wind mill division has generated about 35.58 lakh units as against 40.60 lakh units during the previous year, and the entire units were adjusted against our consumption.

There was no change in the nature of business of the Company during the financial year ended 31<sup>st</sup> March, 2020.

### **Dividends**

On account of losses incurred during the year, your Directors are unable to recommend any dividend.

### **Transfer to Reserves**

The Company has not transferred any amount to its reserves during the year under review. However, the current year loss of Rs. 1,46,99,918/- has been added in the brought forward loss and the aggregate amount is shown under the Reserves and Surplus in the Balance Sheet.

### **Transfer of unclaimed dividend to investor education and protection fund**

Since there was no unpaid/unclaimed Dividend, the provisions of Section 124 & 125 of the Companies Act, 2013 relating to transfer of Unclaimed dividend to Investor Education and Protection fund does not arise.

### **Share Capital**

The issued, subscribed and paid-up share capital of the Company as at 31.03.2020 stood at Rs.3,00,00,000/- divided into 30,00,000 equity shares of Rs.10/- each. During the year under review the Company has not made any fresh issue of shares.

### **Extract of Annual Return**

The extract of Annual Return in the prescribed Form No.MGT-9 pursuant to Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished as **Annexure 1** and is attached to this Report.

### **Board and its Committee meetings conducted during the period under review**

During the year under review, 4 Meetings of the Board of Directors and 5 Meetings of Stakeholders Relationship Committee were held.

### **Statement on compliance with Secretarial Standards**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The company has duly complied with

Secretarial Standards issued by the Institute of Company Secretaries of India on meeting of the Board of Directors (SS-1) and General Meetings (SS-2).

### **Directors' Responsibility Statement**

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from those standards;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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; and
- (e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and 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.

### **Details in respect of frauds reported by auditors under section 143(12) of the companies act, 2013 other than those which are reportable to the central government.**

There have been no frauds reported by the auditors pursuant to Section 143(12) of the Companies Act 2013

### **Declaration of Independent Directors**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

**Company's policy relating to Directors appointment, payment of remuneration and other matters provided under section 178(3) of the companies act, 2013.**

The provision of Section 178 (1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013.

**Auditors' Report**

There were no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors in their report.

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

**Particulars of Loans, Guarantees or Investments made under Section 186 of The Companies Act, 2013.**

During the year under review, the Company has not granted any loans or given any security or made any investments pursuant to the provisions of Section 186 of the Companies Act, 2013. However, the details in respect of investments made by the Company in the earlier years are disclosed in the notes to the financial statements.

**Particulars of contracts or arrangements with related parties**

All transactions entered in to with related parties are defined under the Companies Act, 2013 during the financial year 2019-20 were in the ordinary course of business and on an arm's length basis. Since there are no transactions which are not on arms' length basis and material in nature, the requirement of disclosure of such related party transactions in Form AOC-2 does not arise.

**Material changes and commitments affecting the financial position of the Company.**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo**

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is furnished in "Annexure No.2" and is attached to this report.

### **Statement concerning development and implementation of Risk Management Policy of the Company.**

The company has a Risk Management Policy covering risk identification, mitigation and management measures. This charter and policy have been brought to practice as part of internal control systems and procedures. The company is taking steps to make the risk management process more robust and institutionalized.

### **Disclosure of composition of Audit Committee and providing Vigil Mechanism.**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 are not applicable to the Company.

The Company is not required to establish a vigil mechanism since it does not satisfy the conditions prescribed under Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and hence, disclosure regarding the details of such mechanism in this report does not arise.

### **Details of policy developed and implemented by the Company on its Corporate Social Responsibility Initiatives**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

### **Annual evaluation of the Board on its own performance and of the individual Directors**

The Company has not done any evaluation of the Board or of the Individual Directors as the said provisions are not applicable.

### **Directors**

Sri. N. Krishnasamaraj (DIN 00048547), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Apart from this no other changes have taken place in the composition of the Board.

### **Subsidiaries, Joint Ventures and Associate Companies**

The Company does not have any Subsidiary, Joint venture or Associate Company.

## **Fixed Deposits**

During the year, the Company did not accept or renew any fixed deposits and no fixed deposits remained unclaimed with the Company as on 31<sup>st</sup> March 2020.

## **Details of significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future**

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

## **Adequacy of Internal Financial Controls with reference to the Financial Statements**

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. Further, the Board annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company.

## **Statutory auditors**

Messers. N R D Associates (Firm Registration No. 005662S), Chartered Accountants, Coimbatore were appointed as the Statutory Auditors of the Company for a period of five years at the 30<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September 2017. The Company has received a certificate from the Statutory Auditors to the effect that their appointment as the Statutory Auditors of the Company, would be within the limits prescribed under section 139 of the Companies Act, 2013.

## **Particulars of Employees**

Since the Company is an Unlisted Company, provisions of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, does not apply to the Company.



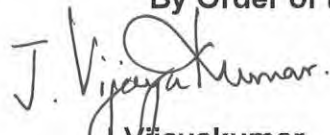
**Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The Company has been employing women employees in various cadres within the factory premises. The Company has in place an Anti-harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been setup to redress complaints received regularly. There was no complaint received from any employee during the financial year 2019-20 and hence no complaint is outstanding as on 31.03.2020 for redressal.

**Acknowledgement**

The Directors thank the company's customers, vendors for their continued support during the year. Your directors place on record their appreciation of the contribution made by employees at all levels, Indian Bank and other Government agencies for their support.

**By Order of the Board**

  
J. Vijayakumar  
Managing Director  
(DIN:00002530)

  
V. Mahitha  
Director  
(DIN:00002537)

Place: Coimbatore  
Date: 20.07.2020

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31.03.2020**

[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	U17231TZ1987PLC002004
ii)	Registration Date	15.07.1987
iii)	Name of the Company	VEEJAY TERRY PRODUCTS LIMITED
iv)	Category / Sub-Category of the Company	Company Limited by shares/ Non-Govt. Company
v)	Address of the Registered office and contact details	8 ATT Colony Coimbatore – 641 018 Tamil Nadu Ph.No.: 0422-2210132,2214327 E-mail: vjtpcbe@gmail.com
vi)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	SKDC Consultants Limited Kanapathy Towers, 3 <sup>rd</sup> Floor 1391/A-1, Sathy Road, Ganapathy Coimbatore-641 006 Phone: 0422-4958995, 2539835, 2539836 Fax:0422-2539837 E-mail : info@skdc-consultants.com

**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:-

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Finishing of cotton and blended cotton textiles	13131	100.00

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have a Holding, Subsidiary or Associate Companies.

### 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 [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	496600	1370660	1867260	62.24	1867260	0	1867260	62.24	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	0	333700	333700	11.12	313300	21200	334500	11.15	0.03
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub- Total (A)(1)</b>	<b>496600</b>	<b>1704360</b>	<b>2200960</b>	<b>73.36</b>	<b>2180560</b>	<b>21200</b>	<b>2201760</b>	<b>73.39</b>	<b>0.03</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Others- Individual	-	-	-	-	-	-	-	-	-
c) Bodies corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>Sub- Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of promoter (A) = (A)(1)+(A)(2)</b>	<b>496600</b>	<b>1704360</b>	<b>2200960</b>	<b>73.36</b>	<b>2180560</b>	<b>21200</b>	<b>2201760</b>	<b>73.39</b>	<b>0.03</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	2000	2000	0.07	-	2000	2000	0.07	-
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	18000	777940	795940	26.53	24700	770440	795140	26.50	-0.03
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others Directors & Their Relatives	1000	-	1000	0.03	1000	-	1000	0.03	-
Non Resident Indians	100	-	100	0.003	100	-	100	0.003	-
<b>Sub-total (B)(2):-</b>	<b>19100</b>	<b>779940</b>	<b>799040</b>	<b>26.64</b>	<b>25800</b>	<b>772440</b>	<b>798240</b>	<b>26.61</b>	<b>-0.03</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>19100</b>	<b>779940</b>	<b>799040</b>	<b>26.64</b>	<b>25800</b>	<b>772440</b>	<b>798240</b>	<b>26.61</b>	<b>-0.03</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>515700</b>	<b>2484300</b>	<b>3000000</b>	<b>100.000</b>	<b>2206360</b>	<b>793640</b>	<b>3000000</b>	<b>100.000</b>	<b>0.00</b>

**ii) Shareholding of Promoter-**

S. No.	Name of Promoters	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	J.Vijayakumar (HUF)	727000	24.23	-	727000	24.23	-	-
2	Sri.J.Vijayakumar	643660	21.46	-	643660	21.46	-	-
3	M/s. VTD Enterprise (Cbe) Pvt Ltd	333700	11.12	-	334500	11.15	-	0.03
4	Sri.V.Venkatkumar	191000	6.36	-	191000	6.36	-	-
5	Sri.V.Aditya	183000	6.10	-	183000	6.10	-	-
6	Smt.V.Mahitha	119600	3.99	-	119600	3.99	-	-
7	Sri.N.Krishnasamaraj	2000	0.07	-	3000	0.10	-	0.03
8	Sri.Krishnasamaraj N	1000	0.03	-	-	-	-	(0.03)
	<b>TOTAL</b>	<b>2200960</b>	<b>73.36</b>	<b>0.00</b>	<b>2201760</b>	<b>73.39</b>	<b>0.00</b>	<b>0.03</b>

**iii) Change in Promoters' Shareholding**

S. 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.	<b>M/S.VTD ENTERPRISE (CBE) P LIMITED</b>				
	At the beginning of the year	333700	11.12	333700	11.12
	Transfer of shares on 07.06.2019	300	0.01	334000	11.13
	Transfer of shares on 19.07.2019	300	0.01	334300	11.14
	Transfer of shares on 21.02.2020	200	0.01	334500	11.15
	<b>At the end of the year</b>	<b>334500</b>			
2.	<b>Sri. Krishnasamaraj N</b>				
	At the beginning of the year	1000	0.03	1000	0.03
	Transfer on 14-06-2019	(1000)	(0.03)	(1000)	(0.03)
	<b>At the end of the year</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

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

S. 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	<b>KISHORKUMAR BHABHALUBHAI DHADHAL</b>				
	At the beginning of the year	1900	0.06	1900	0.06
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1900</b>	<b>0.06</b>
2	<b>ALKA SHROFF</b>				
	At the beginning of the year	1500	0.05	1500	0.05
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1500</b>	<b>0.05</b>

3	<b>AJAY JAIN</b>				
	At the beginning of the year	1300	0.04	1300	0.04
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1300</b>	<b>0.04</b>
4	<b>LOTUS CAPITAL MARKETS LTD</b>				
	At the beginning of the year	1200	0.04	1200	0.04
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1200</b>	<b>0.04</b>
5	<b>ASHOK GURUSWAMY</b>				
	At the beginning of the year	1000	0.03	1000	0.03
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1000</b>	<b>0.03</b>
6	<b>SUGUNA PURUSHOTHAMAN</b>				
	At the beginning of the year	1000	0.03	1000	0.03
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1000</b>	<b>0.03</b>
7	<b>MUTHULAKSHMI N</b>				
	At the beginning of the year	1000	0.03	1000	0.03
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1000</b>	<b>0.03</b>
8	<b>BARJINDER KAUR</b>				
	At the beginning of the year	1000	0.03	1000	0.03
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1000</b>	<b>0.03</b>
9	<b>INDRA KUMAR BAGRI</b>				
	At the beginning of the year	1000	0.03	1000	0.03
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>1000</b>	<b>0.03</b>
10.	<b>DILIP KUMAR SURANA **</b>				
	At the beginning of the year	-	-	-	-
	Transfer of shares on 23-08-2019	800	0.02	800	0.02
	<b>At the end of the year</b>	-	-	<b>800</b>	<b>0.02</b>
11	<b>THEMBALATH RAMACHANDRAN ##</b>				
	At the beginning of the year	700	0.02	700	0.02
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>700</b>	<b>0.02</b>
12	<b>JITA RAVISREE NANAPANENI</b>				
	At the beginning of the year	700	0.02	700	0.02
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>700</b>	<b>0.02</b>
13	<b>KOTAIAH BELLAM</b>				
	At the beginning of the year	700	0.02	700	0.02
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	<b>At the end of the year</b>			<b>700</b>	<b>0.02</b>

14	<b>BABULAL H. SHAH</b>				
	At the beginning of the year	700	0.02	700	0.02
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			700	0.02

\*\* Not in the list of Top 10 shareholders as on 31.03.2019. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2020.

## Ceased to be in the list of Top 10 shareholders as on 31.03.2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2019.

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

S. No.	Shareholding of each Directors and each Key Managerial Personnel	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	<b>J VIJAYAKUMAR*</b>				
	At the beginning of the year	1370660	45.69	1370660	45.69
	Date wise Increase /Decrease in Shareholding during the year	--	-	-	-
	At the end of the year			1370660	45.69
2	<b>V MAHITHA</b>				
	At the beginning of the year	119600	3.99	119600	3.99
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			119600	3.99
3	<b>N KRISHNASAMARAJ *</b>				
	At the beginning of the year	3000	0.10	3000	0.10
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			3000	0.10
4	<b>K RAGHU</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	<b>V VENKATKUMAR</b>				
	At the beginning of the year	191000	6.37	191000	6.37
	Date wise Increase /Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	191000	6.37

\* Including shares held in HUF accounts.

**V. INDEBTEDNESS -**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	6,98,24,102	3,58,12,000	--	10,56,36,102
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>6,98,24,102</b>	<b>3,58,12,000</b>	<b>-</b>	<b>10,56,36,102</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	--	--	--	--
* Reduction	4,60,73,685	15,00,000	--	4,75,73,685
<b>Net Change</b>	<b>(4,60,73,685)</b>	<b>15,00,000</b>	<b>--</b>	<b>(4,75,73,685)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,37,50,417	3,43,12,000	--	5,80,62,417
ii) Interest due but not paid		--	--	--
iii) Interest accrued but not due		--	--	--
<b>Total (i+ii+iii)</b>	<b>2,37,50,417</b>	<b>3,43,12,000</b>	<b>--</b>	<b>5,80,62,417</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A.** Remuneration to Managerial Director, Whole- Time Directors and/ or Manager:

S No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sri.J.Vijayakumar Managing Director	V Venkatkumar Executive Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	6,00,000	36,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others – Provident Fund Contribution	3,60,000	72,000	4,32,000
	<b>Total (A)</b>	<b>33,60,000</b>	<b>6,72,000</b>	<b>40,32,000</b>
	Ceiling as per the Act	As per Schedule V of the Companies Act,2013		



**B. Remuneration to Other Directors**

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		V.Mahitha	N.KrishnaSamaraj	K.Raghu	
1	Independent Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	20000	15000	20000	55000
	Commission				
	Others, please specify				
	Total (2)	20000	15000	20000	55000
	Total (B)=(1+2)	20000	15000	20000	55000
	Total Managerial Remuneration (A+B)				
	Overall Ceiling as per the Act	The maximum sitting fee payable per Meeting to each Director not exceeding Rs.1 lakh as per the Companies Act, 2013			

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	<b>Not Applicable</b>			
2	Stock Option	<b>Not Applicable</b>			
3	Sweat Equity	<b>Not Applicable</b>			
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total				

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

By Order of the Board

*J. Vijayakumar*

*V. Mahitha*

**J. Vijayakumar**  
Managing Director  
(DIN:00002530)

**V. Mahitha**  
Director  
(DIN:00002537)

Place: Coimbatore  
Date: 20.07.2020

**Particulars about Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo**

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

**A) Conservation of Energy**

**i) Steps taken or impact on conservation of energy,**

1. Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation and maximum possible savings of energy is achieved.

2. As the impact of measures taken for conservation and optimum utilisation of energy are not quantitative, its impact on cost cannot be stated accurately.

**ii) Steps taken by the Company for utilizing alternate sources of energy :**

The Company owns wind mills having total capacity of 2.40 mW which can produce approximately 60% of its energy requirements.

**iii) Capital Investment on energy conservation equipment : Nil**

**B) Technology Absorption:**

1. Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products.

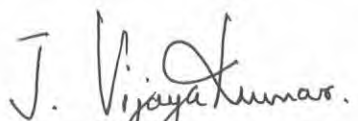
2. Expenditure on Research & Development : Nil

3. The company had not adopted any imported technology during the last five years from the beginning of the financial year.

<b>C) Foreign Exchange Earnings and Outgo</b>	<b>2019-20</b>	<b>2018-19</b>
<b>Foreign Exchange Earnings</b>	<b>Nil</b>	<b>Nil</b>
<b>Foreign Exchange Outgo :</b>	<b>Nil</b>	<b>Nil</b>

Coimbatore  
20<sup>th</sup> July, 2020

By Order of the Board

  
(J. Vijayakumar)  
Managing Director  
(DIN 00002530)

  
(V. Mahitha)  
Director  
(DIN: 00002537)





# N.R.D. Associates

Chartered Accountants

No. 48, "Manchillu",  
Race Course  
Coimbatore - 641 018.

Phone : 0422 - 2223780 (3 Lines)  
Mail Id : admin@sirnrd.in  
audit@sirnrd.in

## INDEPENDENT AUDITOR'S REPORT

To the Members of Veejay Terry Products Limited

### Opinion

We have audited the accompanying financial statements of **Veejay Terry Products Limited** ("the Company"), which comprises the Balance sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, notes to the financial statements, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its **Loss** and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibility for the 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, and ensuring their operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement Whether due to fraud or error.







# N.R.D. Associates

Chartered Accountants

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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.

The Board of Directors is responsible for overseeing the company's financial reporting process.

## Auditor's Responsibility for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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







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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.

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.

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

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in "Annexure 1", a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with in this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the directors as on March 31, 2020, and 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".





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- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The company did not have any long term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company. The question of delay in transferring such sums does not arise.

**For N.R.D. ASSOCIATES**

Chartered Accountants

Firm Registration No.: 005662S

**(SUGUNA RAVICHANDRAN)**

Partner

Membership No.: 207893



Place : Coimbatore

Date : 20.07.2020

UDIN : 20207893AAAAKR8971





# N.R.D. Associates

Chartered Accountants

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## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Veejay Terry Products Limited** on the financial statements for the year ended 31<sup>st</sup> March, 2020]

In terms of the information and explanation sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.  
  
(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As informed, 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)(a), 3(iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the company has not given any loans, investments, security and guarantees for loans taken by others. Hence, the compliance with the provisions of section 185 and 186 of the Companies Act, 2013 is not required.
- (v) In our opinion and according to the information and explanations given to us, the Company not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore the provisions of clause (v) of the Companies (Auditor's Report) order 2016 are not applicable to the company.
- (vi) The Company is not covered under maintenance of cost records pursuant to section 148 (1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014.







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- (vii) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty/Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty/Cess were outstanding, as at 31st March, 2020 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of Sales Tax, Income Tax, Goods & Service Tax, Value Added Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty/Cess which have not been deposited on account of any dispute except as under:

Name of the Statute	Nature of Dues	Amount (INR)	Period to which the amount relates
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	5,15,907	2007-2008
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,19,821	2008-2009
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,77,217	2009-2010
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,07,096	2010-2011
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	2,87,527	2012-2013
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,24,006	2013-2014
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,24,995	2014-2015
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	2,44,647	2015-2016
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,95,049	2016-2017
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,63,080	2017-2018
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,53,011	2018-2019
The Tamil Nadu Tax on Consumption of Sale of Electricity Act,2003	Electricity Tax	3,18,342	2019-2020
<b>Total</b>		<b>41,30,698</b>	





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- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution(s), bank(s), government(s) or dues to debenture holder(s).
- (ix) The Company has neither raised money by way of public issue offer nor has obtained any term Loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) The company has paid managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected with him during the year
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **N.R.D. ASSOCIATES**

Chartered Accountants

Firm Registration No. : 005662S

**(SUGUNA RAVICHANDRAN)**

Partner

Membership No.: 207893



Place : Coimbatore  
Date : 20.07.2020  
UDIN : 20207893AAAAKR8971





# N.R.D. Associates

Chartered Accountants

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## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirement' in the Independent Auditor's Report of even date to the members of **Veejay Terry Products Limited** on the financial statements for the year ended 31<sup>st</sup> March, 2020]

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

We have audited the Internal Financial Controls over financial reporting of Veejay Terry Products Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and error, 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 based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.







# N.R.D. Associates

Chartered Accountants

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

## Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

For N.R.D. ASSOCIATES  
Chartered Accountants  
Firm Registration No. : 005662S

  
(SUGUNA RAVICHANDRAN)

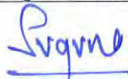
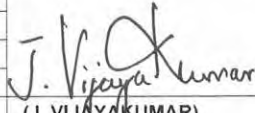

Partner  
Membership No.: 207893



Place : Coimbatore  
Date : 20.07.2020  
UDIN : 20207893AAAAKR8971



**Veejay Terry Products Limited**  
8, A.T.T Colony, Coimbatore 641 018  
Balance Sheet as at 31st March, 2020

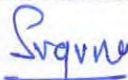

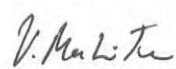
(All amounts in Rupees)				
	Particulars	Note No.	As at	As at
			31st March, 2020	31st March, 2019
<b>I.</b>	<b>Equity and Liabilities</b>			
(1)	<b>Shareholder's Funds</b>			
	(a) Share Capital	2	3,00,00,000	3,00,00,000
	(b) Reserves and Surplus	3	1,61,96,930	3,08,96,849
(2)	<b>Non-Current Liabilities</b>			
	(a) Long-Term Borrowings	4	3,43,12,000	3,58,12,000
	(b) Deferred Tax Liabilities (Net)	5	7,08,953	58,66,057
	(c) Other Long-term Liabilities	6	-	22,07,430
(3)	<b>Current Liabilities</b>			
	(a) Short-Term Borrowings	7	2,37,50,417	6,50,44,140
	(b) Trade Payables			
	(i) Total outstanding dues of MSME		51,97,984	4,50,076
	(ii) Total outstanding dues of other than MSME		1,17,66,019	26,15,002
	(c) Other Current Liabilities	8	87,85,060	1,20,30,930
	(d) Short-term Provisions	9	9,68,870	10,94,020
	<b>TOTAL</b>		<b>13,16,86,233</b>	<b>18,60,16,504</b>
<b>II.</b>	<b>Assets</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	10	7,45,93,510	8,54,46,990
	(b) Non-Current Investments	11	-	22,07,430
	(c) Long-term loans and advances	12	86,61,698	90,37,075
	(d) Other Non Current Assets	13	26,84,459	26,84,459
(2)	<b>Current Assets</b>			
	(a) Inventories	14	3,26,06,596	4,88,41,312
	(b) Trade Receivables	15	76,17,483	2,85,67,138
	(c) Cash and Cash Equivalents	16	2,89,601	50,69,577
	(d) Short-Term Loans and Advances	17	21,55,549	22,62,558
	(e) Other Current Assets	18	30,77,337	18,99,965
	<b>TOTAL</b>		<b>13,16,86,233</b>	<b>18,60,16,504</b>
	<b>Summary of Significant accounting policies</b>	<b>1</b>		
	<b>See accompanying notes to the financial statements</b>			
	As per our report of even date attached			
	For NRD Associates		For and on behalf of the Board	
	Chartered Accountants, Auditors			
	(Firm Registration Number: 005662S)			
				
	(Suguna Ravichandran)		(J. VIJAYAKUMAR)	
	Partner		MANAGING DIRECTOR	
	(Membership No. 207893)		[DIN 00002530]	
				
			(V. MAHITHA)	
			DIRECTOR	
			[DIN 00002537]	
	Place : Coimbatore			
	Date : 20.07.2020			



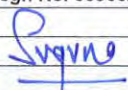
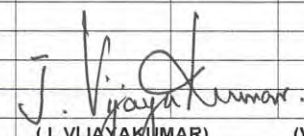
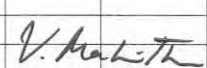
**Veejay Terry Products Limited**

8, A.T.T Colony, Coimbatore 641 018

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

(All amounts in Rupees)				
	Particulars	Note No.	Year Ended	Year Ended
			31st March, 2020	31st March, 2019
<b>I</b>	<b>Income</b>			
	Revenue from Operations	19	23,91,86,772	30,92,09,624
<b>II.</b>	<b>Other Income</b>	20	6,29,187	8,66,017
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>23,98,15,959</b>	<b>31,00,75,641</b>
<b>IV.</b>	<b>Expenses:</b>			
	a. Cost of Materials Consumed	21	14,28,62,305	19,01,34,520
	b. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	32,09,587	(76,72,495)
	c. Employee Benefit Expenses	23	3,30,80,307	3,55,89,820
	d. Finance Costs	24	79,81,741	98,42,259
	e. Depreciation	10	1,07,96,212	1,09,50,038
	f. Other Expenses	25	6,17,42,829	7,22,03,487
	<b>Total Expenses</b>		<b>25,96,72,981</b>	<b>31,10,47,629</b>
<b>V.</b>	<b>Profit / Loss before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>(1,98,57,022)</b>	<b>(9,71,988)</b>
<b>VI.</b>	<b>Exceptional Items</b>		-	-
<b>VII.</b>	<b>Profit / Loss before Extraordinary Items and Tax (V - VI)</b>		<b>(1,98,57,022)</b>	<b>(9,71,988)</b>
<b>VIII.</b>	<b>Extra Ordinary Items</b>		-	-
<b>IX.</b>	<b>Profit / Loss before Tax (VII - VIII)</b>		<b>(1,98,57,022)</b>	<b>(9,71,988)</b>
<b>X.</b>	<b>Tax Expense:</b>			
	(1) Current tax			
	(2) Deferred Tax		(51,57,103)	(13,93,169)
	(3) Income Tax for earlier years		-	-
	(4) MAT Credit Entitlement			
<b>XI.</b>	<b>Profit/ (Loss) for the period from Continuing Operations (IX - X)</b>		<b>(1,46,99,919)</b>	<b>4,21,181</b>
<b>XII.</b>	<b>Profit/(Loss) from Discontinuing Operations</b>		-	-
<b>XIII.</b>	<b>Tax Expense of Discontinuing Operations</b>		-	-
<b>XIV.</b>	<b>Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)</b>		-	-
<b>XV.</b>	<b>Profit/ (Loss) for the Period (XI + XIV)</b>		<b>(1,46,99,919)</b>	<b>4,21,181</b>
<b>XVI.</b>	<b>Earnings Per Equity Share</b>			
	(1) Basic		(4.90)	0.14
	(2) Diluted		(4.90)	0.14
<b>See accompanying notes to the financial statements</b>				
As per our report of even date attached For NRD Associates Chartered Accountants, Auditors. (Firm Registration Number: 005662S)			For and on behalf of the Board	
			 	
(Suguna Ravichandran)			(J. VIJAYAKUMAR) (V. MAHITHA)	
Partner			MANAGING DIRECTOR DIRECTOR	
(Membership No. 207893)			[DIN 00002530] [DIN 00002537]	
Place : Coimbatore			<b>37</b>	
Date : 20.07.2020				



Veejay Terry Products Ltd					
Cash Flow Statement for the year 2019 - 2020		2019 - 20		2018 - 19	
		Rs. Lacs		Rs. Lacs	
<b>A. Cash flow from operating activities</b>					
	Net Profit before tax and extraordinary items		-198.57		-9.72
	Adjustments for :				
	Depreciation	107.96		109.50	
	Interest Income	-4.86		-5.25	
	Interest payments	79.82	182.91	98.42	202.67
	Operating Profit before working capital changes		-15.66		192.95
	Adjustments for changes in :				
	Trade receivables	209.50		-101.28	
	Other receivables	-9.56		27.91	
	Inventories	162.35		115.56	
	Trade Payables	138.99		13.48	
	Other current liabilities	-32.46		-60.43	
	Short-term Provisions	-1.24		-3.98	
			467.57		-8.74
	Cash Generated from operations		451.93		184.21
	Direct Taxes Paid	0.00		-0.53	
			0.00		-0.53
	<b>Net Cash flow from operating activities</b>		<b>451.92</b>		<b>183.68</b>
<b>B. Cash flow from investing activities</b>					
	Purchase of fixed assets	-0.58		-38.02	
	Long Term Loans and Advances	3.75		-25.05	
	Interest Income	4.86		5.25	
	Investments withdrawn	22.00		0.00	
	Net cash used for investing activities		<b>30.04</b>		<b>-57.82</b>
<b>C. Cash flow from financing activities</b>					
	Long term borrowings	-15.00		-58.64	
	Other Long-term Liabilities	-22.00		-11.62	
	Working capital borrowings	-412.94		90.33	
	Interest payments	-79.82		-98.42	
	Net Cash flow from financing activities		<b>-529.76</b>		<b>-78.35</b>
	<b>Net increase / (Decrease) in cash and cash equivalent</b>		<b>-47.80</b>		<b>47.51</b>
	Cash & Cash equivalents - Opening Balances		50.70		3.19
	Cash & Cash equivalents - Closing Balances		2.90		50.70
As per our report of even date					
for N.R.D ASSOCIATES					
Chartered Accountants, Auditors					
(Firm Regn No. 005662S)					
					
	(Suguna Ravichandran)		(J. VIJAYAKUMAR)		(V. MAHITHA)
	Partner		MANAGING DIRECTOR		DIRECTOR
	(Membership No. 207893)		[DIN 00002530]		[DIN 00002537]
Place : Coimbatore					
Date : 20th July, 2020					

**Notes forming part of the financial statements for the year ended 31<sup>st</sup> March, 2020.**

**Note – 1**

**Significant Accounting Policies:**

**a) Basis of Preparation**

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013. The accounting policies applied by the company are consistent with those used in previous year.

**b) Revenue Recognition**

i. Revenue from operations

Sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, sales returns and GST. Windmill division revenue is recognised when the right to receive the income is established as per the terms of the contract.

ii. Interest

Revenue is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.

**c) Property, Plant and Equipment (PPE)**

Property, Plant and Equipment are capitalized at cost inclusive of erection expenses and other incidental expenses in connection with the acquisition of the assets and net of GST credit, if any. The borrowing costs, if any, incurred on the additions to fixed assets have been capitalized in accordance with AS16.

**d) Impairment of Assets**

As at each Balance sheet date, the carrying amount of assets is tested for impairment so as to determine :

a) the provision for impairment loss, if any, required or

b) the reversal, if any, required of impairment loss recognised in previous periods.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

**e) Depreciation**

Depreciation has been provided under straight line method, based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013. Depreciation on additions during the year has been provided on pro-rata basis for the period for which the assets has been put in to use.

The depreciation on Plant and Machinery is being charged on triple shift basis by adopting the useful life as 15 years. From the financial year 2017-18, the useful life of the plant and machinery has been re-assessed as 20 years and accordingly the depreciation on plant and machinery installed after 01.04.2015 has been reworked.



**f) Inventories – Basis of Valuation**

Inventories have been valued as under :

- Rawmaterials - at lower of average cost or net realisable value.
- Work in progress - at estimated cost
- Finished goods - at lower of cost or net realisable value
- Waste - at estimated realisable value
- Stores - at average cost

**g) Employees benefits**

Short term employee benefits (other than termination benefits) which are payable within 12 months after the end of the period in which the employee render service are accounted on accrual basis.

Post employment and other long term benefits which are defined benefit plans are recognized as an expense in the Statement of Profit & Loss for the year in which the employee has rendered service. The expense is recognized based on the present value of the obligation determined in accordance with Revised Accounting Standard 15 on “Employee Benefits”. Actuarial gains and losses are charged to the Statement of Profit & Loss.

Defined Contribution Plans - Company’s contributions paid / payable during the year to Provident Fund are recognized in the Statement of Profit & Loss.

Leave Encashment- As per the rules and regulations of the Company the eligible leave salary is paid on cash basis within the accounting year.

**h) Foreign Exchange Transactions**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Premium / Discount in respect of Forward Contract is amortised as expense / income over the period of contract. Exchange difference arising on forward contracts between the exchange rate on the date of the transaction and the exchange rate prevailing at the year end is recognised in the Statement of Profit & Loss.

**a) Taxation**

Provision for current taxes are made based on the liability computed in accordance with the relevant tax rates and tax laws. Provision for deferred tax is made for timing differences arising between the taxable income and accounting income computed using the tax rates and the laws that have enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognised only if there is a virtual certainty that they will be realised and they are reviewed for the appropriateness of their carrying values at each balance sheet date.

Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Rs.		Rs.
<b>Note 2 - Share Capital</b>				
<b>Authorised Capital</b>				
50,00,000 Equity Shares of Rs 10/- each		5,00,00,000		5,00,00,000
<b>Issued, Subscribed and Paid up</b>				
30,00,000 Equity Shares of Rs 10/- each		3,00,00,000		3,00,00,000
<b>Total</b>		<b>3,00,00,000</b>		<b>3,00,00,000</b>
<b>a. There are Nil number of shares (Previous year - Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associate of the holding company in aggregate.</b>				
<b>b. Details of shareholders holding more than 5% shares in the company :</b>				
	As at 31st March, 2020		As at 31st March, 2019	
Sl.No. Name of Shareholder	No of shares held	% of holding	No of shares held	% of holding
01. Sri. J. Vijayakumar (Individual)	6,43,660	21.45	6,43,660	21.45
02. Sri. J. Vijayakumar (HUF)	7,27,000	24.23	7,27,000	24.23
03. Sri. V. Venkatkumar	1,91,000	6.37	1,91,000	6.37
04. Sri. V. Aditya	1,83,000	6.10	1,83,000	6.10
05. M/s. VTD Enterprise (Cbe) Private Limited	3,34,500	11.15	3,33,700	11.12
<b>c. Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2020 and March 31, 2019</b>				
Equity shares with voting rights	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	Rs.	Numbers	Rs.
Shares outstanding at the beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
<b>d. Rights, Preferences and restrictions attached to equity Shares :</b>				
The Company has one Class of equity share comprising of 30,00,000 equity shares of Rs.10/- each. All these equity shares have the same rights and preferences with respect to payment of dividend, repayment of capital and carries one vote for every such class of shares held. In the event of liquidation, the equity share holders of the Company are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.				
<b>e) Information regarding issue of shares in the last five years:</b>				
i) The company has not issued any shares without payment being received in cash. ii) There has been no issue of bonus shares.				
iii) The company has not undertaken any buy-back of shares.				
<b>Note 3 - Reserves and Surplus</b>				
<b>(a) Securities Premium</b>				
As per last Balance Sheet		3,37,50,000		3,37,50,000
Addition during the year		-		-
		3,37,50,000		3,37,50,000
<b>(b) General Reserve</b>				
As per last Balance Sheet		1,09,10,000		1,09,10,000
Addition during the year		-		-
		1,09,10,000		1,09,10,000
<b>(c) Surplus i.e. Balance in the Statement of Profit &amp; Loss</b>				
As per last Balance Sheet		(1,37,63,151)		(1,41,84,332)
Current year Surplus (+) \ Deficit (-)		(1,46,99,919)		4,21,181
		(2,84,63,070)		(1,37,63,151)
<b>Total</b>		<b>1,61,96,930</b>		<b>3,08,96,849</b>

Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Rs.		Rs.
<b>Note 4 Long Term Borrowings</b>				
<b>a. Unsecured Loans</b>				
From Related Parties				
Unsecured		3,43,12,000		3,58,12,000
<b>Total</b>		<b>3,43,12,000</b>		<b>3,58,12,000</b>
i. Unsecured Loan from Directors carry interest payable monthly / annually @ 10% p.a and the principal amount is repayable on long term basis.				
<b>Note 5 - Deferred Tax Liabilities (Net of Deferred Tax Asset)</b>				
Deferred Tax Liabilities				
As per Last Balance Sheet	87,83,686		1,11,80,146	
Less : Reversed during the year	(9,76,043)	78,07,643	(23,96,460)	87,83,686
Deferred Tax Asset				
As per Last Balance Sheet	29,17,629		39,20,920	
Add : Created during the year	41,81,061	70,98,690	(10,03,291)	29,17,629
<b>Total</b>		<b>7,08,953</b>		<b>58,66,057</b>
<b>Note 6 - Other Long-term Liabilities</b>				
a. Others		-		22,07,430
<b>Total</b>		<b>-</b>		<b>22,07,430</b>
<b>Note 7 - Short-Term Borrowings</b>				
<b>a. Working capital loans from Banks - Secured</b>				
- Cash Credit Facilities from Indian Bank		2,37,50,417		6,50,44,140
		2,37,50,417		6,50,44,140
i) Working capital loan from Indian Bank carries interest rate @ base rate + 2.95% (i.e 11.65% p.a) and is secured by the first charge on the current assets of the company. It is further secured by the first charge on the fixed assets of the company.				
<b>Note 8 - Other Current Liabilities</b>				
a. Current Maturities of Long-Term Debt		-		47,79,962
<b>b. Other Payables</b>				
Statutory remittances		12,77,722		5,19,902
Liabilities towards expenses		75,07,338		67,31,066
		87,85,060		1,20,30,930
<b>Note 9 - Short-term Provisions</b>				
a. Provision for Employee Benefits		9,68,870		10,94,020
b. Others		-		-
		9,68,870		10,94,020

Veejay Terry Products Ltd., Notes forming part of the financial statements									
Note 10 Property, Plant and Equipment									
S.No.	PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
		Cost as on 01.04.2019	Additions / Deletions during the year	Total as on 31.03.2020	Up to 01.04.2019	For the Year/ Withdrawn	Up to 31.03.2020	Net Carrying amount as on 31.03.2020	Net Carrying amount as on 31.03.2019
	<b>Spinning Mill Division</b>								
1	Land	4,27,372	-	4,27,372	-	-	-	4,27,372	4,27,372
2	Buildings	3,88,39,480	-	3,88,39,480	1,85,04,646	10,97,757	1,96,02,403	1,92,37,077	2,03,34,834
3	Plant & Equipment	19,13,56,386	(10,16,195)	19,03,40,191	14,78,18,543	75,48,279 (9,58,927)	15,44,07,895	3,59,32,296	4,35,37,843
4	Electrical Equipments	1,32,15,271		1,32,15,271	95,32,064	5,27,953	1,00,60,017	31,55,254	36,83,207
5	Furniture & Office Equipments	27,86,774		27,86,774	25,24,219	1,95,781	27,20,000	66,774	2,62,555
6	Vehicle	37,50,843		37,50,843	24,43,906	3,66,920	28,10,826	9,40,017	13,06,937
	<b>Total of Spinning Mill Division</b>	<b>25,03,76,126</b>	<b>(10,16,195)</b>	<b>24,93,59,931</b>	<b>18,08,23,378</b>	<b>97,36,690</b> <b>(9,58,927)</b>	<b>18,96,01,141</b>	<b>5,97,58,790</b>	<b>6,95,52,748</b>
	<b>Wind Mill Division</b>								
7	Land	13,75,000	-	13,75,000	-	-	-	13,75,000	13,75,000
8	Building	6,62,234		6,62,234	99,426	1,32,447	2,31,873	4,30,361	5,62,808
9	Wind Energy Converters	11,60,31,442	-	11,60,31,442	10,20,75,008	9,27,075	10,30,02,083	1,30,29,359	1,39,56,434
	<b>Total of Wind Mill Division</b>	<b>11,80,68,676</b>	<b>-</b>	<b>11,80,68,676</b>	<b>10,21,74,434</b>	<b>10,59,522</b>	<b>10,32,33,956</b>	<b>1,48,34,720</b>	<b>1,58,94,242</b>
	<b>Grand Total</b>	<b>36,84,44,802</b>	<b>(10,16,195)</b>	<b>36,74,28,607</b>	<b>28,29,97,812</b>	<b>1,07,96,212</b> <b>(9,58,927)</b>	<b>29,28,35,097</b>	<b>7,45,93,510</b>	<b>8,54,46,990</b>
	<b>Previous Year</b>	<b>36,57,71,179</b>	<b>38,60,623</b>	<b>36,84,44,802</b>	<b>27,31,75,424</b>	<b>1,09,50,038</b>	<b>28,29,97,812</b>	<b>8,54,46,990</b>	<b>9,25,95,755</b>

Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Rs.		Rs.
<b>Note 11 - Non-Current Investments</b>				
<b>a. Investment in Equity Instruments</b>				
<b>Unquoted</b>				
(i) M/s. Ind-Bharath Powergencom Ltd (2,20,743 Equity shares of Rs. 10/- each fully paid)		0		22,07,430
		0		<b>22,07,430</b>
<b>Note 12 - Long-term loans and advances</b> (Unsecured, considered good)				
a. Security and other Deposits		86,61,698		90,37,075
		86,61,698		90,37,075
<b>Note 13 - Other Non current assets</b>				
a. MAT Credit Receivable		26,84,459		26,84,459
		26,84,459		26,84,459
<b>Note 14 - Inventories (As per lists certified by the Managing Director)</b>				
a. Raw Materials - Valued at cost or net realisable value whichever is lower		1,32,05,527		2,65,34,524
b. Work-in-Progress - Valued at estimated cost		53,99,005		72,13,876
c. Finished Goods - Valued at cost or net realisable value whichever is lower		1,24,63,013		1,46,75,469
d. Stores and Spares - Valued at average cost		6,81,446		3,77,578
e. Waste - Valued at realisable cost		8,57,605		39,865
		3,26,06,596		4,88,41,312
<b>Note 15 - Trade Receivables</b> (Unsecured, considered good)				
a. Outstanding for a period exceeding six months from the date they were due for payment		25,09,653		21,46,505
b. Other receivables		51,07,830		2,64,20,633
		76,17,483		2,85,67,138
<b>Note 16 - Cash and Cash Equivalents</b>				
a. Cash on Hand		2,70,242		51,182
b. Balances with Banks - In Current accounts		19,359		50,18,395
		2,89,601		50,69,577
<b>Note 17 - Short-Term Loans and Advances</b> (Unsecured, considered good)				
a. Loans and advances to employees		61,234		94,000
b. Advance to Suppliers		20,94,315		21,68,558
		21,55,549		22,62,558
<b>Note 18 - Other Current Assets</b>				
a. Prepaid Expenses		7,09,734		5,98,880
b. Other advances		11,45,906		93,761
c. Income Tax Refund receivable		12,21,697		12,07,324
		30,77,337		18,99,965

<b>Veejay Terry Products Limited, 8, A.T.T Colony, Coimbatore 641 018</b>		
<b>Notes forming part of the financial statements</b>		
Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
<b>NOTE 19</b>		
<b>Revenue From Operations</b>		
Sale of Products	21,78,22,075	28,50,60,310
Other Operating Revenues - Wind Mill Income	2,13,64,697	2,41,49,314
	<b>23,91,86,772</b>	<b>30,92,09,624</b>
<b>NOTE 20</b>		
<b>Other Incomes</b>		
Interest Income (TDS Rs. 48,445/-) (Previous year TDS Rs. 52,537/-)	4,86,455	5,25,367
Profit on Sale of Asset	1,42,732	3,40,650
	<b>6,29,187</b>	<b>8,66,017</b>
<b>NOTE 21</b>		
<b>a. Cost of Materials Consumed</b>		
Opening Stock of Rawmaterials	2,65,34,524	4,58,84,013
Add : Rawmaterial Purchases	12,91,80,600	17,05,59,266
Freight & Cartage	3,52,708	2,25,765
LESS: Closing Stock of Rawmaterials	1,32,05,527	2,65,34,524
	<b>14,28,62,305</b>	<b>19,01,34,520</b>
<b>NOTE 22</b>		
<b>b. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		
Opening Stock of Finished Goods	1,46,75,469	67,55,371
Opening Stock of Stock in Process	72,13,876	71,92,254
Opening Stock of Waste	39,865	3,09,090
Total (a )	<b>2,19,29,210</b>	<b>1,42,56,715</b>
Closing Stock of Stock in Process	53,99,005	72,13,876
Closing Stock of Finished Goods	1,24,63,013	1,46,75,469
Closing Stock of Waste	8,57,605	39,865
Total ( b )	<b>1,87,19,623</b>	<b>2,19,29,210</b>
<b>Net Changes</b>	<b>32,09,587</b>	<b>(76,72,495)</b>

<b>Veejay Terry Products Limited, 8, A.T.T Colony, Coimbatore 641 018</b>		
<b>Notes forming part of the financial statements</b>		
<b>Particulars</b>	<b>Year Ended 31st March, 2020</b>	<b>Year Ended 31st March, 2019</b>
<b>NOTE 23</b>		
<b><u>Employee benefits expense</u></b>		
Salaries and Wages	2,63,44,268	2,87,81,364
Contribution to PF and Other Funds	16,83,430	19,24,726
Staff Welfare Expenses	50,52,609	48,83,730
	<b>3,30,80,307</b>	<b>3,55,89,820</b>
<b>NOTE 24</b>		
<b>Finance Costs</b>		
Interest Expenses	79,84,874	99,36,135
Less : TUF Interest Subsidy Received	(3,133)	(93,876)
	<b>79,81,741</b>	<b>98,42,259</b>
<b>NOTE 25</b>		
<b>Other Expenses</b>		
Store and Hardware Consumed	7,77,964	7,84,531
Job work charges	27,34,592	5,86,531
Packing Material Consumed	19,08,968	27,50,162
Power & Fuel	4,42,36,491	5,40,79,513
Repairs & Maintenance		
-Machinery	58,42,772	54,15,397
-General	7,31,729	12,29,491
-Buildings	1,45,866	3,89,279
Cotton & Yarn Testing Charges	2,32,604	2,65,540
Hank Yarn Obligation	99,447	8,30,786
Travelling & Conveyance	9,96,645	11,25,195
Postage & Telephone	2,60,124	3,20,033
Insurance	5,71,585	3,93,707
Building Rent	6,84,000	6,84,000
Licences & Taxes	2,63,133	5,99,653
Professional & Legal Expenses	3,20,035	6,20,710
Marketing & Service Charges	13,74,776	17,37,122
Sitting Fees	55,000	60,000
Auditors' Remuneration		
Audit Fee	38,500	35,000
Other services	-	2,000
Bank Charges	2,27,787	80,799
Miscellaneous Expenses	2,40,811	2,14,038
	<b>6,17,42,829</b>	<b>7,22,03,487</b>

## 26. Additional Information to the Financial Statement

31.03.2020                      31.03.2019

### 26.1 Contingent Liabilities and commitments (to the extent not provided for)

Claims against the  
company not acknowledged as debt                      **Nil**                      Nil

Estimated amount of contracts remaining to be executed on capital account  
and not provided for is                      **Rs. 3.36 Crores**                      Rs. 3.36Crores

### 26.2 Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

As per the information available with the company there are no Micro, small and Medium Enterprises in respect of whom the company's dues are outstanding for more than 45 days as at the Balance Sheet date.

	31.03.2020	31.03.2019
The principal amount and the interest due there on remaining unpaid to any supplier as at the end of each accounting year	1,06,294	2,93,615
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year	Nil	9,990
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	2,696	Nil
The amount of interest accrued and remaining unpaid at the end of the year	2,696	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

**26.3 Value of imports calculated on CIF basis**  
- Import of capital goods                      **Nil**                      Nil

**26.4 Expenditure in Foreign Currency**                      **Nil**                      Nil



## 26.5 Details of consumption of indigenous and imported items

a. Rawmaterials	Value Rs*.	% of Con- sumption	Value Rs.*	% of Con- sumption
Indigenous	14,28,62,305	100.00	19,01,34,520	100.00
Imported	Nil	Nil	Nil	Nil
	-----	-----	-----	-----
	14,28,62,305	100.00	19,01,34,520	100.00
	-----	-----	-----	-----

## 26.6 Earnings in Foreign Exchange

Export of Goods ( F.O.B Value)	Nil	Nil
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## 26.7 Employee Benefits

The company has adopted the Revised Accounting Standard 15 in respect of defined benefit plan (gratuity) w.e.f 01.04.2007.

Description of the company's defined benefit plan for payment of post employment benefits are in the form of gratuity. Benefits under the plan are based on pay and years of service and are vested on completion of five years of service, as provided for in the Payment of Gratuity Act, 1972. The terms of the benefits are common for all the employees of the company.

		<b>31.03.2020</b>	31.03.2019
		<b>Rs.</b>	<b>Rs.</b>
<b>A</b>	<b>Expenses recognized during the year ended</b>		
	Current Service Cost	3,33,707	2,58,278
	Interest cost	4,03,906	3,82,885
	Expected return on plan assets	4,05,307	4,05,085
	Actuarial (gain) / Loss on obligations	(1,49,725)	(41,819)
	<b>Total Expenses</b>	<b>1,82,581</b>	<b>1,94,259</b>
<b>B</b>	<b>Actual return on Plan assets</b>		
	Expected return on plan assets	4,05,307	4,05,085
	Actuarial Gain / (Loss) on Plan assets	1,49,725	41,419
	Actual return on plan assets	4,05,307	4,05,085
<b>C</b>	<b>Net Asset / (Liability) recognized in the Balance sheet</b>		
	Present value of the obligation as at the year end	54,99,148	53,85,411
	Fair value of plan assets as at the year end	57,65,234	58,34,078
	Funded status surplus / (deficit)	2,66,086	4,48,667
	Unrecognised past service cost	0	0
	Net Asset / (Liability) recognized in the Balance sheet	2,66,086	4,48,667
<b>D</b>	<b>Change in Present value of the Obligation during the year ended</b>		
	Present value of the obligation as at the beginning of the year	53,85,411	47,86,067
	Current Service Cost	3,33,707	2,58,278
	Interest Cost	4,03,906	3,82,885
	Benefits paid	0	0
	Actuarial (gain) / loss on obligation	(47,415)	(41,819)
	Present value of obligation as at the end of the year	54,99,148	53,85,411

<b>E.</b>	<b>Change in Assets during the year</b>		
	Fair value of plan assets at the beginning of the year	58,34,078	46,85,188
	Expected return on plan assets	4,05,307	4,05,085
	Contributions made	0	7,43,805
	Benefits paid	(47,415)	0
	Actuarial gain / (Loss) on plan assets	0	0
	Fair value of plan assets at the end of the year	57,65,234	58,34,078
<b>F.</b>	<b>Major categories of plan assets</b>		
	Qualifying insurance policies	57,65,234	58,34,078
<b>G</b>	<b>Actuarial Assumptions</b>		
	Discount Rate %	7.50	7.50
	Salary Escalation %	6.50	6.50
	Expected rate of return on plan assets %	6.95	8.65

26.8 Segment Information							
							(Rs. In lacs)
2019 – 2020				2018 – 2019			
Primary - Business Segments	Spinning	Wind Mill	Total	Spinning	Wind Mill	Total	
<b>Revenue</b>							
Sales	2178	214	2392	2855	241	3096	
Add : Unallocable Other Income			6			5	
Enterprise Revenue			2398			3101	
<b>Result</b>							
Segment Result	-367	162	-205	-224	209	-15	
Unallocated Expenses			0			0	
Operating Profit			-205			-15	
Incometax expenses (Deferred)			52			-14	
Add: Unallocable other income			6			5	
<b>Net Profit (+) / Loss (-) after Tax</b>			<b>-147</b>			<b>4</b>	
<b>Other Information</b>							
Segment Assets	1125	153	1278	1647	174	1821	
Add: Unallocable Corporate Assets			39			39	
Enterprise Assets			1317			1860	
Segment Liabilities	250	0	250	726	0	726	
Add: Unallocable Corporate Liabilities			1067			1134	
Enterprises Liabilities			1317			1860	
Capital Expenditure	-11	0	-11	39	0	39	
Depreciation	108	0	108	110	0	110	
Non Cash Expenditure	-	-	-	-	-	-	

## 26.09 Related party disclosure (as identified by the Management)

### i) Names of related parties and description of relationship

- a) Key Management Personnel : 1. Mr. J. Vijayakumar,  
Managing Director  
2. Mrs. V. Mahitha, Director  
3. Mr V. Venkatkumar  
Executive Director
- b) Relatives of Key Management personnel : 1.Mr. V. Aditya
- c) Associate companies : 1. Veejay Lakshmi Engineering Works Ltd  
2. VTD Enterprise (CBE) P Ltd.,  
(Formerly Veejay Tool & Die P. Ltd)

### ii) Related Party Transactions : (Rs. Lacs)

Nature of Transactions	Associate company		Key Management personnel		Relatives of Key Management personnel	
	31.03.20	31.03.19	31.03.20	31.03.19	31.03.20	31.03.19
Purchase of goods	--	---	---	---	---	---
Service received	<b>25.08</b>	4.06	---	---	---	---
Rent paid	--	--	<b>6.84</b>	6.84	---	--
Remuneration	--	--	<b>40.32</b>	40.32	---	--
Interest Paid	--	--	<b>35.29</b>	36.28	---	--
Dividend Paid	--	--	--	--	---	--
Unsecured Loan accepted	--	--	--	--	---	--
Unsecured Loan repaid	--	--	<b>15.00</b>	10.00	---	--
Outstanding Balance (Cr)	--	--	<b>343.12</b>	358.12	---	--

**26.10** The company does not have any derivative financial instruments either for hedging or for speculation purposes outstanding as on balance sheet date.

### 26.11 Earnings per Share

Earnings per Share is calculated by dividing the net profit attributable to the equity shareholders by the number of equity shares outstanding at the end of the year.

		<u>Year Ended</u> <u>31.03.2020</u>	<u>Year Ended</u> <u>31.03.2019</u>
Profit /Loss attributable to the Equity Shareholders (Rs.)	(A)	(-) 1,46,99,919	4,21,181
Number of Equity Shares outstanding at the end of the year	(B)	30,00,000	30,00,000
Nominal Value of Equity Share (Rs.)		10/-	10/-
Basic / Diluted EPS (Rs.)	(A) / (B)	- 4.90	0.14

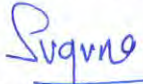
26.12 Income Tax assessment has been completed up to the assessment year 2018 - 2019.

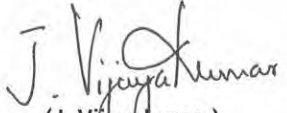
**26.13 Deferred Tax Liability**

Particulars	DTL or DTA As on 01.04.19	Current Year Created / (Reversed)	DTL or DTA As on 31.03.2020
<u>A. Deferred Tax Liabilities</u>			
Difference between Book and Income Tax Depreciation	87,83,686	(9,76,043)	78,07,643
<u>B. Deferred Tax Assets</u>			
In respect of unabsorbed depreciation carried forward losses & other disallowances	29,17,629	41,81,061	70,98,690
Total	58,66,057	(51,57,103)	7,08,953

26.14 Previous year figures have been regrouped and reclassified, wherever necessary, to correspond with the current year's classification / disclosure.

As per our Report of even date  
For N.R.D Associates  
Chartered Accountants, Auditors  
(Firm Regn No. 005662S)

  
(Suguna Ravichandran)  
Partner  
(M.No. 207893)

  
(J. Vijayakumar)  
Managing Director  
(DIN: 00002530)

  
(V. Mahitha)  
Director  
(DIN: 00002537)

Coimbatore  
20<sup>th</sup> July, 2020