

# ARMAANYA TEXTILES PVT. LTD.

## DIRECTORS' REPORT

To,  
THE MEMBERS

Your Directors are pleased to present herewith the 6<sup>th</sup> ANNUAL REPORT together with the Audited Financial Statements and Auditors' report thereon for the year ended on March 31, 2022.

### FINANCIAL RESULTS/ STATE OF COMPANY AFFAIRS:

The Financial Results of the Company for the year ended on 31<sup>st</sup> March, 2022 are as follows:-

(Rs. In Lakh)		
Particulars	Year 2021-22	Year 2020-21
<i>Total Income</i>	<b>7,174.69</b>	<b>4121.47</b>
Profit Before Depreciation, Amortization and Taxation	277.03	223.77
Depreciation and Amortization	132.62	130.95
<i>Profit / (Loss) before Taxation</i>	<b>144.41</b>	<b>92.82</b>
Provision for taxation - For Current Tax	1.39	1.05
Provision for taxation - For Deferred Tax	37.45	24.47
Earlier year tax	0.03	0.00
<i>Profit / (Loss) after Taxation</i>	<b>105.54</b>	<b>67.30</b>

The novel Corona virus [COVID-19] pandemic is spreading around the globe rapidly. The virus has taken its toll not just on human life, but business and financial markets also. Continuing situation of COVID -19 pandemic, operations of the Company's are also affected. The Company has been critically evaluating various financial parameters affecting the operations of the Company and there is no material impact on the financial results of the Company. However, the impact assessment of COVID-19 is a continuing process and the Company will continue to monitor any material changes to future economic conditions.

### DIVIDEND AND TRANSFER TO RESERVES:

In order to conserve the resources, your directors do not recommend any payment of dividend for the year under review. Further the Company has not transferred any amount to reserves during the year.

### SHARE CAPITAL:

During the year under review, the Company has redeemed 11,00,000 0.05% non-cumulative redeemable preference shares of Rs. 10/- each amounting to Rs. 1,10,00,000/- redeemed out of the profits of the Company.



### **MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY:**

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the company under review and the date of the Board's Report.

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

It is hereby stated that:

- (a) In the preparation of the annual financial statement, the applicable accounting standards had been followed and that no material departures have been made for the same.
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the Company for that period.
- (c) The Directors have 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 have prepared the annual accounts on a going concern basis.
- (e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **NUMBER OF BOARD MEETINGS OF THE BOARD:**

During the year under review, the Board of Directors duly met 5 times and the details of attendance of directors are as follows:

Name of Director	Date of Board Meeting					Total No. of Meetings attended
	13.07.2021	08.09.2021	30.11.2021	24.03.2022	25.03.2022	
Mr. Atul Mittal	√	√	√	√	√	5/5
Mr. Ajay Mittal	√	√	√	√	√	5/5

### **LOANS FROM DIRECTOR/RELATIVE OF DIRECTOR:**

The balances of monies accepted by the Company from Directors / relatives of Directors at the beginning of the year were Rs. 126.14 Lakh and at the close of year was Rs. 3.35 Lakh.

### **DEPOSITS:**



The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 during the period under review.

#### **LOANS, GUARANTEES & INVESTMENTS U/S 186:**

During the year under review, the Company has not made any investments, not granted any loan, provided any guarantee or security falling under the purview of provision of section 186 of the Companies Act, 2013.

#### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

Details of contracts or arrangements with related parties referred to in 188 (1) are as per Annexure - I.

#### **STATUTORY AUDITORS AND THEIR OBSERVATION:**

M/s. Nirav D. Shah & Co, Chartered Accountants (Firm Registration No. 119132W) were appointed as Statutory Auditors, for a term of five years to hold office till the conclusion of the Annual General Meeting to be held for the financial year ending on 31<sup>st</sup> March, 2024. In view of the amended provisions of section 139 by The Companies (Amendment) Act, 2017, the appointment of auditors is not required to be ratified every year at the AGM by the members of the company and hence present statutory auditors of the company will continue to act as statutory auditor till the expiry of their present term.

The Auditors' Report to the members for the year under review does not contain any qualification.

#### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

The Company is committed to provide a safe and conducive work environment to its employees during the year under review.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **SECRETARIAL STANDARDS:**

The Board of Directors of the company confirms to the best of their knowledge and belief that the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India as amended from time to time and made applicable by the Ministry of Corporate Affairs during the financial year under review.

#### **INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY:**

The Company has an adequate Internal Financial Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Control function is well defined.



#### **PARTICULARS OF EMPLOYEES:**

During the year under review, there are no employees drawing remuneration which is in excess of the limit as prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **RISK MANAGEMENT POLICY:**

The Management regularly reviews the risk and took appropriate steps to mitigate the risk. The company has in place the Risk Management policy. The Company has a robust Business Risk Management (BRM) framework to identify, evaluate, business risks, Financial risk, Competition risk, Human resource risk. In the opinion of the Board, no risk has been identified that may threaten the existence of the Company.

#### **MAINTENANCE OF COST RECORDS:**

The Company is not required to maintain any cost records prescribed under section 148 of the Companies Act, 2013 and rules made thereunder.

#### **INDUSTRIAL RELATIONS:**

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated hereunder:-

##### **Conservation of Energy:**

##### **1. The steps taken or impact on conservation of energy:-**

The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The day to day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy.

##### **2. The steps taken by the company for utilizing alternate sources of energy.**

Company has not taken any step for utilizing alternate sources of energy.

##### **3. The capital investment on energy conservation equipments.**

Company has not made any capital investment on energy conservation equipments.



**FORM NO. AOC -2**

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

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

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arms' length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

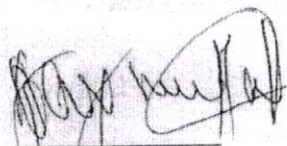
(Amount in Rs.)						
Name of Related Party	Nature of relationship	Nature of Contract / agreement / transactions	Duration of contracts / agreements/ transactions	Salient terms of contracts or agreements, or transactions including the value, if any	Date of approval by the Board, if any	Amount paid as advances, if any
Aroo Industries	Associate Enterprise	Rent paid	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	0.72	As per note below	As per note below
Absy Ajay Mittal	Relatives of KMP	Salary	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	6.00	As per note below	As per note below

**Note:** Appropriate approvals have been taken for related party transactions wherever required.  
No amount was paid as advance.

**FOR AND ON BEHALF OF THE BOARD  
FOR ARMAANYA TEXTILES PRIVATE LIMITED**

Place: Ahmedabad  
Date: 06/07/2022

  
**ATUL MITTAL**  
MANAGING DIRECTOR  
DIN: 02282605

  
**AJAY MITTAL**  
MANAGING DIRECTOR  
DIN: 01760444

**Technology Absorption:**

Company has not imported any technology and hence there is nothing to be reported here.

**Foreign Exchange Earning and Outgo:**

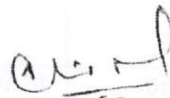
The details of Foreign exchange Earnings and outgo during the year are as follows:

Particulars	(Amt. in Lacs)	
	2021-22	2020-2021
Foreign Exchange Earnings (Rs.)	NIL	NIL
Foreign Exchange Outgo (Rs.)	17.93	1.53

**ACKNOWLEDGMENT:**

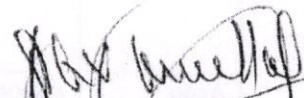
Your Directors are thankful to regulatory and Government authorities, bankers and clients of the Company.

**FOR AND ON BEHALF OF THE BOARD  
FOR ARMAANYA TEXTILES PRIVATE LIMITED**



**ATUL MITTAL  
MANAGING DIRECTOR  
DIN: 02282605**

**Place: Ahmedabad  
Date: 06/07/2022**



**AJAY MITTAL  
MANAGING DIRECTOR  
DIN: 01760444**