



**TUNI
TEXTILE
MILLS
LIMITED**

**32nd ANNUAL REPORT
2018 - 2019**

BOARD OF DIRECTORS

Narendra Kumar Sureka	Chairman & Managing Director
Pradeep Kumar Sureka	Executive, Whole Time Director
Urmila Sureka	Non-Executive, Non-Independent
Pramod Kumar Bajaj	Independent Director
Mahendra S Agarwal	Independent Director
Alakh V Deora	Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Mamta Jain, CS

CHIEF FINANCIAL OFFICER

Mr. Archit Sureka

AUDITORS

Mehta Kothari & Associates
Chartered Accountants, Mumbai

BANKERS

Indian Overseas Bank
GP Parsik Bank

REGISTERED OFFICE

63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road
Mumbai-400 002

WORKS

B-5, MIDC Murbad, Dist. Thane (Maharashtra)

REGISTRAR & SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

ANNUAL GENERAL MEETING

Date : 27th September, 2019
Time : 3.30 P.M.
Venue : Hotel Golden Chariot,
Viral Apartment
Opp. Shopper's Stop,
S. V. Road, Andheri West,
Mumbai-400 058

**32nd
Annual
Report
2018 - 2019**

Corporate Identification No. :

L17120MH1987PLC043996

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Members are requested to bring their copy of Annual Report at the time of Meeting

Notice

Notice is hereby given that the 32nd Annual General Meeting of the members of **TUNI TEXTILE MILLS LIMITED** will be held on Friday, the 27th day of September, 2019 at 3.30 P.M. at Hotel Golden Chariot, Viral Apartment, Opp. Shopper's Stop, S. V. Road, Andheri West, Mumbai, Maharashtra 400058 to transact the following business as :

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 along with the reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Mr. Pradeep Kr. Sureka (DIN: 01632706), who retires by rotation and being eligible offers herself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), and based on the recommendations of the Audit Committee, to fill up the casual vacancy caused due to the retirement of existing Auditors M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN-106247W) after the conclusion of next annual general meeting, due to their pre-occupation, M/s. DBS & Associates, Chartered Accountants, Mumbai (FRN – 018627N), who have offered themselves for appointment as Auditors to the Company and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby appointed as Statutory Auditors of the Company and to hold office after the conclusion of the 32nd Annual General Meeting up to the conclusion of the 37th consecutive Annual General Meeting at a remuneration plus out of pocket expenses at actuals, as may be decided by the Board of Directors of the Company."

SPECIAL BUSINESS :

4. **Re-appointment of Mr. Pramod Kr. Bajaj (DIN: 01438374) as an Independent Director**

To consider and if thought fit to pass with or without modifications the following resolution as an **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or reenactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Mr. Pramod Kr. Bajaj (DIN: 01438374), whose present term as an Independent Director ends on 31st March 2019, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors, be and is hereby re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from the 1st April 2019 and up to up to 31st March 2024.

Mumbai, May 30, 2019

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :

63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002

Mamta Jain
Company Secretary & Compliance Officer

Notes:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the Special Business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.

Pursuant to Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.
3. Corporate Member intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
4. Members, Proxies and Authorised Representatives are requested to bring to the Meeting, the Attendance Slip enclosed herewith, duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. Duplicate Attendance Slip or copies of the Report and Accounts will not be made available at the Annual General Meeting ("AGM") venue.
5. A brief resume of each of the Directors proposed to be re-appointed at this AGM, nature of their expertise in specific functional areas, names of companies in which they hold directorship and membership / chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings, are provided in Annexure 1. The Directors have furnished the requisite declarations for their appointment / re-appointment.
6. The Register of Member and the Share Transfer Books of the Company will remain closed from 21st September 2019 to 27th September 2019 (both days inclusive).
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting.
9. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id info@tunitextiles.com for quick and prompt redressal of their grievances.
10. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
11. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by appropriate authorities to the Annual General Meeting.
12. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
13. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at No. 9, Shih Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.

14. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
15. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee (s) to furnish copy of PAN Card to the Company/RTAs for the registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:

- a) Deletion of name of the deceased shareholder (s), where the shares are held in the name of two / more shareholders.
 - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - c) Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
16. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
 17. Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on 8th February 2019. A person is considered as a Significant Beneficial Owner (SBO) if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a company's shares or the right to exercise significant influence or control over the company. If any Shareholders holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and within the permitted time frame.
 18. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.
 19. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you the quarterly reports and other communication via email.
 20. Copies of Annual Report 2019 together with AGM Notice will be sent by electronic mode only to those members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members who have not registered their email address, physical copies of Annual Report 2019 are being sent by the permitted mode.
 21. The Notice for the 32nd AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. Members are requested to bring copies of Annual Report to the Annual General Meeting.
 22. Members may also note that the Notice of the 32nd AGM and the Annual Report for 2018-2019 will also be available on the Company's website www.tunitextiles.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during all working days (except Saturday, Sunday and public holidays) between 11.00 AM to 1.00 PM up to the date of this AGM. Even after registering for e-communication, members are entitled to receive such in physical form, upon making a request for the same by post or email. For any communication, the Shareholders may also send requests to the Company's email id : info@tunitextiles.com

23. A route map showing directions to reach the venue of the 32nd Annual General Meeting is given at the end of the Report.
24. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice-versa. However, in case Members have casted their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
25. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be decided on a show of hands at the AGM. **The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. September 20, 2019.**
26. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Proxy cum Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Mrs. Gayatri Phatak, Scrutinizer, C/o Purva Sharegistry (India) Private Limited, Unit: Tuni Textile Mills Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011, Tel. No: +91 22-2301 8261, Fax No: +91 22- 2301 2517, E-mail : purvashr@mtnl.net.in so as to reach her on or before September 25, 2019 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
27. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM), by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
28. The facility of voting through ballot paper shall also be made available at the venue of the 32nd AGM. The Members attending the AGM, who have not casted their vote through remote e-voting, shall be able to exercise their voting rights at the AGM. The Members who have already casted their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.
29. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tunitextiles.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.
30. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
- 31. The details for voting electronically are as under -**
 - a) Date and time of commencement of voting through electronic means: **Tuesday, September 24, 2019 at 9.00 a. m.**
 - b) Date and time of end of voting through electronic means beyond which voting will not be allowed: **Thursday, September 26, 2019 at 5.00 p. m.**
 - c) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 20, 2019**, may cast their vote electronically irrespective of mode of receipt of notice by the shareholder. The e-voting module shall be disabled by NSDL for voting thereafter.
 - d) Details of Website: www.evotingindia.com
 - e) **Details of Scrutinizer:** Gayatri Phatak, Practicing Company Secretary (ACS No. 31886), Prop., M/s. G. S. Bhide & Associates, Vapi (Gujarat). E-mail: gayatribhideandco@gmail.com.
 - f) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/ modify the vote subsequently.

32. Voting through Electronic means -

- a) Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- b) The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.
- c) The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or www.tunitextiles.com
- d) The e-voting period commences on Tuesday, September 24, 2019 (9:00 am) and ends on Thursday, September 26, 2019 (5:00 pm). During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- e) 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 20, 2019. 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 20, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or absconsultant@vsnl.net.
- f) The facility for voting through ballot paper / Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

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

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- a) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

d) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
• For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
• For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
• For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

e) Your password details are given below:

- i. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- ii. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- iii. How to retrieve your 'initial password'?
 - a. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - b. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
- f) If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - i. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - ii. Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- g) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- h) Now, you will have to click on "Login" button.
- i) After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- a) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

- b) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- c) Select “EVEN” of company for which you wish to cast your vote.
- d) Now you are ready for e-Voting as the Voting page opens.
- e) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- f) Upon confirmation, the message “Vote cast successfully” will be displayed.
- g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

34. General Guidelines for shareholders

- a) 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to gayatrihideandco@gmail.com with a copy marked to evoting@nsdl.co.in.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SECRETARIAL STANDARD-2 ON GENERAL MEETINGS AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO. 3

Appointment of Statutory Auditors to fill casual vacancy

Existing Auditors M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN - 106247W) have expressed their willingness to retire after the conclusion of 32nd Annual General Meeting scheduled to be held on 27th September 2019, due to their pre-occupation, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on 30th May, 2019, as per the recommendation of the Audit Committee, and pursuant to the provisions of Section 139(8) of the Companies Act, 2013, have appointed M/s. DBS & Associates, Chartered Accountants, Mumbai (FRN – 018627N), to hold office as the Statutory Auditors of the Company till the conclusion of 37th AGM and to fill the casual vacancy caused by the resignation of M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN - 106247W) subject to the approval by the members at the 32nd Annual General Meeting of the Company, at such remuneration, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

The Company has received consent letter and eligibility certificate from M/s. DBS & Associates, Chartered Accountants, Mumbai (FRN – 018627N), to act as Statutory Auditors of the Company in place of M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN - 106247W) along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 3 of the Notice for appointment and payment of remuneration to the Statutory Auditors.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends an Ordinary Resolution set out in the Item No. 3 of Notice for approval by the Members.

ITEM NO. 4

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Mr. Pramod Kr. Bajaj as an Independent Directors w.e.f. 1st April 2014 for the term of 5 years which has been concluded on 31st March 2019. The Company on recommendation of Nomination and Remuneration Committee, has re-appointed Mr. Pramod Kr. Bajaj in the meeting of Board of Directors held on 10th April 2019 subject to approval of members in the forthcoming Annual General Meeting.

As the above named Independent Director shall be completing their first term of appointment, he is eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Special Resolution. Above named Independent Director has consented to his re-appointment and confirmed that he is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act. The Company has also received the declaration from the said Director stating that he meets all the criteria of Independence, as prescribed under Section 149(6) of the Act and under Regulation 16 (b) of SEBI (LODR) Regulations, 2015 and he is not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad.

Based on the performance evaluation of the Independent Director, the Nomination & Remuneration Committee and the Board of Directors of the Company at their Meeting held on 10th April 2019 have recommended the re-appointment of the afore said person as an Independent Director for a second term of five consecutive years effective from the dates as indicated above. During his tenure of appointment, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

In the opinion of the Board, he fulfil the conditions for re-appointment as Independent Directors and he is independent of the Management.

Brief resume of above Independent Director, nature of their expertise in specific function areas and names of companies in which they holds directorship and memberships/chairmanships of the Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (LODR) Regulations, 2015, are provided in the Annexure to this Notice, which is forming part of the Annual Report.

A copy of the draft letter for re-appointment of the Independent Director setting out the terms and conditions of their reappointment is available for inspection by the Members at the Registered Office of the Company between 11 A.M. to 1 P.M. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing General Meeting.

Above named Director has not completed the age of 75 years and hence compliance with Regulation 17(1A) of SEBI (LODR) (Amendment) Regulations, 2018 does not apply to this appointment.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Directors are in anyway deemed to be concerned or interested, financially or otherwise, in the Resolutions as set out in Item No. 4 of the Notice.

The Board recommends the Special Resolutions as set out in Item No. 4 of the Notice for approval of the Members.

Brief Profile of Mr. Pradeep Kr. Sureka together with other Director, has been provided in Annexure – I.

Name of Director	Mr. Pradeep Kr. Sureka	Mr. Pramod Kr. Bajaj
Directors' Identification No. (DIN)	01632706	01438374
Date of Birth	24 th September 1959	19 th March 1956

Date of Appointment on Board	6 th July 1987	1 st February 2005
Qualification	B. Com, Graduate	B. Com, Graduate
Experience	He is associated with the Company as Whole time Director of the Company since July 1987 and is having more than 32 years of experience in the field of Accounts, Taxation, Fabric Merchandise etc.	He is having more than 38 years of experience in the field of Accounts, Taxation, Management Consultancy etc.
Terms & Conditions of Appointment / Re-appointment	Appointed as Whole time Director, eligible to retire by Rotation	Appointed as Independent Director for another term of 5 years, not eligible to retire by Rotation
Remuneration details	Not more than ₹ 50,000/- per month plus contribution to PF and reimbursement of out of pocket expenses.	Maximum of ₹ 5000/- per meeting plus out of pocket expenses at actuals
Shareholding in Company	51,15,500 Equity Shares or 3.92% of Paid-up Capital of the Company.	Nil
Relationship with the Company & Other Directors	Part of Promoter Group & Relatives / Family member of Mr. Narendra Kr. Sureka & Mrs. Urmila Devi Sureka.	Not any
No. of Board Meeting attended during the year	6 (Six)	6 (Six)
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Not Any	Not Any
Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies	Nil	Committee Chairmanship – 2

Mumbai, May 30, 2019

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :

63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002

Mamta Jain
Company Secretary & Compliance Officer

Directors' Report

To

The Members,

Your Directors have pleasure in presenting the 32nd Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2019.

(₹ in lakhs)

Financial Results	Year Ended 31.03.2019	Year Ended 31.03.2018
Income	3517.63	3439.11
Profit/(Loss) before Tax & Extra-ordinary Items	7.40	20.05
Less / (Add) : Provision for Taxation (Including Deferred Tax)	(8.48)	31.55
Less : Provision for Extra-Ordinary Items	0.00	2.44
Profit/(Loss) after Tax	15.87	(13.94)
Changes due to conversion of accounts from GAAP to Ind AS	0.73	(3.70)
Add : Profit/(Loss) brought forward from Previous Year	(86.96)	(69.32)
Balance carried forward	(70.36)	(86.96)

MACROECONOMIC OVERVIEW

Financial year 2018-19 (FY2019) began with an expectation of higher growth as the economy seemed to have overcome the teething troubles of the nation-wide roll out of the Goods and Services Tax (GST). However, a rise in the current account deficit (CAD), concerns relating to rising non-performing assets (NPAs) and decline in liquidity coupled with hardening interest rates contributed to uncertainties around a higher GDP growth rate.

The second advance estimates of national income for FY2019 released by the Central Statistics Office (CSO) on 28 February 2019 showed that the economy could not continue the expected growth momentum. GDP growth in the third quarter of FY2019 reduced to 6.6% after clocking 8% and 7% growth in the first and second quarter of FY2019 respectively. The CSO estimates GDP growth in FY2019 at 7% compared to 7.2% in FY 2018.

Gross fixed capital formation (GFCF) provided a pleasant surprise, with the share of GFCF to GDP growing to 32.3% in FY2019 (second advance estimates) versus 31.4% in FY2018 (first revised estimates). However, it is perhaps too early to expect this recent uptick in the share of GFCF to GDP to provide a definite impetus to growth.

PERFORMANCE HIGHLIGHTS & OUTLOOK

The Textile Industry overall, is going through tough times due to the structural transformation after GST and due to the weak market demand in the Domestic as well as Overseas markets. E-Commerce/On-line sales are growing with reputed brands retailers. That coupled with low cotton production and increasing prices, is putting pressure on prices and margins.

Gross revenue from operations stood at ₹ 3517.63 lakh in comparison to last years' sales of ₹ 3439.11 lakh. In term of PAT, the Company has earned a profit of ₹ 15.87 lakh in comparison to last years' net loss of ₹ 13.94 lakh.

The Company is into the business of manufacturing grey and finished cloth at its unit located at Murbad, Dist. Thane, Maharashtra.

The Company is facing serious problem of financing at this point of time due to stiffer conditions and stricter banking norms as well as drying liquidity conditions in the money market. Due to the tag of "Shell Company" given by SEBI, it has become more difficult for the Company to arrange for finance for the growth of its business.

As the Govt. has started to release the refund of GST, the Company is hopeful of recovering from difficult phase and business will be as usual as the time progresses.

BUSINESS SEGMENT

During the year, the Company is into the business of fabric manufacturing i.e. manufacturing of Synthetic Fabric, a part of textile products in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

OPPORTUNITIES AND THREATS

China's rising manufacturing cost and shifting of focus from exports to its own growing domestic consumption will offer an opportunity for the Indian textiles sector to grab the market share of China in the developed world, especially the European countries and the United States, which cumulatively comprise around 60 percent of the global export market.

Retalitory tariffs between China and USA is bound to have a ripple effect on other nations' economies. With this move, the USA's domestic market will become costlier and at the same time Chinese Garment factories will lose business. But the competition will rise in other markets. However, this is a good opportunity for India to cater to the US market. The conclusion of the much-awaited Indo-EU FTA will open up new opportunities for exports. However, its delay is certainly restricting export of textiles to the EU, as competing nations like Pakistan and Bangladesh enjoy the duty benefit of 6% to 8% as against Indian Products.

The increase in export benefits announced in March, 2019 in Made-ups will give relief to exporters in times to come.

The World, including the advanced countries, are becoming increasingly inward-looking and resorting to protectionist measures, thereby, putting multilateral system of trading at risk. This could pose a serious challenge in the export markets.

The duty free import of fabrics from China into Bangladesh and in return the Garments are being imported duty free into India from Bangladesh is hitting hard the Indian Textile Industry.

DIVIDEND AND RESERVES

In view of carried forward losses and in order to meet future challenges and financial requirements, your Directors do not propose any dividend for the year under review.

During the year under review, no amount has been transferred to General Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2019 was of ₹ 13.17925 Crore. During the year under review, the Company has not issued any share with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2019, none of the Directors and/or Key Managerial Person of the Company hold instruments convertible in to Equity Shares of the Company.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2019 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2019.

The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY COMPANY

The Company does not have any material subsidiary as defined under the Listing Regulations. However, it has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company viz. www.tunitextiles.com

RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year, which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (Ind-AS 24) has been made in the notes to the Financial Statements.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. A statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company

The Company has put in place a mechanism for certifying the Related Party Transactions Statements placed before the Audit Committee and the Board of Directors from an Independent Chartered Accountant Firm.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34(3) of the Listing Regulations, 2015 is provided in a separate section and forms part of the Directors' Report.

CHANGE IN NATURE OF BUSINESS, IF ANY.

There are no changes in the nature of business in the financial year 2018-19.

BOARD EVALUATION

The Board of Directors have laid down the manner for carrying out an annual evaluation of its own performance, its various Committees and individual directors pursuant to the provisions of the Act and relevant Rules and the Corporate Governance requirements are in compliance with Regulation 17 of Listing Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria such as Board Composition, process, dynamics, quality of deliberations, strategic discussions, effective reviews, committee participation, governance reviews etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as Committee composition, process, dynamics, deliberation, strategic discussions, effective reviews etc. The Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as transparency, analytical capabilities, performance, leadership, ethics and ability to take balanced decisions regarding stakeholders etc.

NUMBER OF MEETINGS OF THE BOARD

The details of the Board Meetings and other Committee Meetings held during the financial year 2018-19 are given in the separate section of Corporate Governance Report.

BOARD COMMITTEES

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT

There is no change in management of the Company during the year under review.

DIRECTORS

During the current financial year, Mr. Aditya P. Khaitan and Mr. Parag s. Ambavane (both are Independent Directors) has resigned from the Board and in their place the Board has appointed

Mr. Alakh V Deora and Mr. Mahendra S Agarwal as Independent Directors of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

INDEPENDENT DIRECTORS

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the independent directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

As per requirements of Regulation 25 of Listing Regulations, a person shall not serve as an independent director in more than seven listed entities: provided that any person who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Further, independent directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR

Sl. No.	Name	Designation	Date of Appointment	Date of Resignation
1.	Aditya P. Khaitan	Independent Director	13 th February 2015	14 th August 2018
2.	Parag S. Ambavane	Independent Director	11 th January 2016	14 th August 2018
3.	Alakh V Deora	Independent Director	14 th August 2018	-
4.	Mahendra S Agarwal	Independent Director	14 th August 2018	-

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, TRIBUNALS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

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

There have been no material changes and commitments affecting the financial position of the Company between the end of Financial Year and date of the report.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. 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 as at March 31, 2019 and of the profit/(loss) of the Company for the year ended on that date;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. that 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.

BUSINESS RISK MANAGEMENT

Due to the cash crunch and weak demand in the Indian and Export markets, it is difficult to pass on the cost to end customers, hence the margins are under pressure. Further, globally consumer shifting preference from cotton fiber to manmade fiber, which are available at lower prices, is also putting pressure on prices.

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

However the Company is not required to constitute Risk Management Committee under Listing Regulations, 2015.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

Your Company has an Internal Control System, which is commensurate with the size, scale, scope and complexity of its operations. To maintain its objectivity and independence, an independent firm of Chartered accountants has been appointed as the Internal Auditors, who report to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in your Company, its compliance with operating systems, accounting procedures and policies of your Company. Based on the report of the Internal Auditors placed before the Audit Committee, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The internal controls have been reported by the Auditors to be adequate and effective during the year.

NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel/Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company i.e. www.tunitextiles.com

INFORMATION TECHNOLOGY

Innovation and Technology are synonymous with the Company. The investment in technology acts as a catalyst and enables the Company to be innovative.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS**Statutory Auditors**

M/s. Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN : 106247W) who are the Statutory Auditors of the Company were appointed as the Statutory Auditors for a term of five years effective from 13th December 2017 by way of Postal Ballot Rules, 2014 subject to ratification of their appointment by the Members at every intervening Annual General Meeting held thereafter.

Further, Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN - 106247W), have expressed their unwillingness to appoint themselves as Statutory Auditors of the Company after the conclusion of 32nd Annual General Meeting due to their other commitments, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

Further, the Company has approached M/s DBS & Associates, Chartered Accountants, Mumbai (FRN – 018627N) to look after the Statutory Audit of the Company and in reply they have consented to be appointed themselves as Statutory Auditors of the Company after the conclusion of 32nd Annual General Meeting.

The Audit Report given by Mehta Kothari & Associates, Chartered Accountants, Mumbai (FRN : 106247W) (erstwhile Statutory Auditors) for the financial year 2018-19, forming part of this Annual Report.

Auditors' Report

The Auditors' Report to the Shareholders does not contain any reservation, qualification or adverse remark.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s G. S. Bhide & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in the form of MR-3 is annexed in this Annual Report as Annexure II.

Internal Auditors

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s D. Thakkar & Associates, Chartered Accountants, Mumbai (FRN 132824W). The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by

the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2019 made under the provisions of Section 92(3) of the Act is attached as Annexure III to this report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule, 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as under -

i	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Directors & KMP		Ratio
		Narendra Kumar Sureka		2.40:1
		Pradeep Sureka		2.40:1
		Archit Sureka		1.77:1
		Mamta Jain		0.70:1
		1. The median remuneration of employees of the Company was ₹ 3,51,000/-		
		2. Figures has been rounded off wherever necessary		
ii	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name	Designation	Increase %
		Narendra Kumar Sureka	Managing director	16.13
		Pradeep Sureka	whole time director	16.13
		Archit Sureka	CFO	58.13
		Mamta Jain	CS	10.00
iii	the percentage increase in the median remuneration of employees in the financial year;	6.84%		
iv	the number of permanent employees on the rolls of Company	89 employees as on 31.03.2019		
v	the explanation on the relationship between average increase in remuneration and company performance;	The profit before tax for the financial year ended March 31, 2019 decreased by 63.11% whereas the increase in median remuneration was 6.84% in line with industry standard and the performance of the company		
vi	comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The total remuneration of key Managerial Personnel increased by 23.48% from ₹ 27,29,000/- in 2018-19 to ₹ 22,10,000/- in 2017-18 whereas the Profit before Tax decreased by 63.11% to ₹ 7,39,779/- in 2018-19 (₹20,05,113/- in 2017-18)		
vii	variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	Particulars	31st March 2019	31st March 2018
		Market Capitalization	640 Lakhs	640 Lakhs
		Price Earnings Ratio	40.83%	44.55%
		Networth of the Company	12,47,56,638/-	12,30,96,021/-
		The Company has not made any public issue during the year		

viii	Average percentile increase in salaries of employees other than managerial personnel		46.97%	
ix	Comparison of each remuneration of key managerial personnel against the performance of the company	Particulars	31st March 2019	Reason against performance of the company Profit before tax decreased by 63.11% and profit after tax increased by 213.88% in FY 2018-19
		Narendra Kumar Sureka	9,00,000/-	
		Pradeep Sureka	9,00,000/-	
		Archit Sureka	6,65,000/-	
		Mamta Jain	2,64,000/-	
x	The key parameters for any variable component of remuneration availed by the directors;		None	
xi	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;		None	
xii	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid to all Employees is in accordance with the Remuneration Policy		

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

STATUTORY INFORMATION

The Company is engaged in the business of manufacturing Synthetic Fabric. The information regarding Conservation of Energy, Technology Absorption, Adoption and Innovation and the information required under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014 are reported to be as under:

MURBAD UNIT- ELECTRICITY	2018-2019	2017-2018
Electricity Purchased [Units (KWH)]	1272166	1402439
Total Amount (₹)	4920923	4380200
Average Rate (₹)	3.87	3.12
<u>Consumption Per Unit of Production</u>		
Cloth Production (Mtrs.)	2960185	1623422
Cost of Electricity Consumption (₹) / Mtrs.	1.66	2.70

BUSINESS RESPONSIBILITY REPORT

As the Company is not among top 500 or 1000 Companies by turnover on Stock Exchanges, the disclosure of Report under of Regulation 34(2) of the Listing Regulations is not applicable to the Company for the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has earned sum of ₹ 98,57,861/- (Equivalent to USD 142256.02) during the current financial year while outgo in foreign currency was Nil.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 73 of the Companies Act, 2013 and the rules there under.

REPORT ON CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Mumbai, May 30, 2019

Registered Office :
63/71, Dadiseth Ajiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002.

Narendra Kumar Sureka
DIN : 01963265
Managing Director

Management Discussions & Analysis

MACRO ECONOMIC ENVIRONMENT

India's macro fundamentals witnessed significant swings through FY 2019, with economic slowdown being more pronounced led by adverse currency movements, high commodity prices, weakening demand, farm distress and tight financial conditions aggravated by the non-banking financial crisis. Higher crude oil prices and synchronized global economic slowdown resulted in reassessment of the developed central bank monetary policy stance prompting risk-aversion and sharp capital outflows threatening India's financial stability.

On the macro economic front, the first half of FY 2019 saw India's growth strengthen sharply led by favourable base effect and sequential improvement witnessed after emerging from the impact of demonetisation and teething difficulties from the implementation of GST till FY 2018. The second half of FY 2019, however saw a material deceleration in growth indicators, with a clear distinction in trend visible across consumption and investment. While investment has gradually been picking up pace, private consumption related indicators have been witnessing fatigue in H2FY19.

Real GDP seems to have slowed in FY 2019 from FY 2018. As per the CSO, the second advance estimate of real GDP growth for FY 2019 stands at 7.0% as against 7.2% in FY 2018. On value added basis, real Gross Value Added (GVA) growth estimate for FY 2019 stands at 6.8% as against 6.9% in FY 2018. Industrial sector grew 7.7% in FY 2019 in comparison to 5.9% in FY 2018, while services sector grew 7.4% as against 8.1% in FY 2018. Agriculture and allied activities sector slowed to 2.7% from 5.0% earlier. The expenditure side GDP breakdown depicted that private investment has remained firm at 9.4% as against 10.4% earlier. Continuous improvement in capacity utilization bodes well for private investment. However, twin balance sheet problems of corporates and banks remain the biggest impediment to a sharp revival in private investment.

INDIAN TEXTILE INDUSTRY

India's textiles industry is among the oldest industries in the country dating back several centuries. It is one of the largest contributors to the economy accounting for ~4% of the GDP. It is the second largest contributor towards employment generation, after agriculture, contributing 10% to the country's manufacturing, owing to its labour-intensive nature. The industry is characterised by its robust vertical integration in almost all the sub-sectors.

The textiles and apparel industry constitutes ~14% of the total exports of the country. India is the second largest producer and exporter of textiles after China and fourth largest producer and exporter of apparel after China, Bangladesh and Vietnam.

The mitigation of the repercussions of currency fluctuation remains a challenge for the industry. Exports have been a core feature of India's textile sector. Indian textiles and apparel exports were estimated at \$39 billion and is expected to grow at a CAGR of 7.5% over the next decade to reach \$76 billion by 2028. The fundamental strength of India's textile industry is its strong production base with a wide range of fibres and yarns that include natural fibres like cotton, jute, silk and wool; and synthetic and manmade fibres such as polyester, viscose, nylon and acrylic.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2018-2019, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The provision of the Section 135 and Schedule VII of the Companies Act, 2013 as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 effective from April 1, 2014 relating to CSR Initiatives are not applicable to the Company.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Mumbai, May 30, 2019

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Registered Office :
63/71, Dadiseth Agiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002.

Narendra Kumar Sureka
DIN : 01963265
Managing Director

DETAILS OF RELATED PARTY TRANSACTIONS

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

All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under the Notes to Financial Statements.

No material related party transactions arising from contracts/ arrangements with related parties referred to in the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

- B. Disclosures pursuant to Regulation 34(3) & 53(f) and Para A of Schedule V of SEBI (LODR) Regulations, 2015

Sl. No.	In the Account of	Disclosures of amount at the year end and the maximum amount of loans/advances/Investments outstanding during the year.	
1.	Holding Company	o Loans and advances in the nature of loans to subsidiaries by name and amount	Not Applicable
		o Loans and advances in the nature of loans to associates by name and amount	
		o Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
2.	Subsidiary	o Loans and advances in the nature of loans to subsidiaries by name and amount	
		o Loans and advances in the nature of loans to associates by name and amount	
		o Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
3.	Holding Company	o Investment by the loanee in the shares of parent Company and subsidiary Company has made a loan or advance in the nature of loan.	

By order of the Board
For TUNI TEXTILE MILLS LIMITED

Mumbai, May 30, 2019

Registered Office :
63/71, Dadiseth Ajiary Lane
3rd Floor, Kalbadevi Road, Mumbai-400002.

Narendra Kumar Sureka
DIN : 01963265
Managing Director

SECRETARIAL AUDIT REPORT**FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2019**

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

The Members,

Tuni Textile Mills Limited, Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Tuni Textile Mills Ltd. (hereinafter called as 'the Company'). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2019, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and

- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- vi. Rules, regulations and guidelines issued by the Reserve Bank of India as per Reserve Bank of India Act, 1934 and its circulars, Master circulars, notifications, to the extent as applicable to Non-Deposit taking Non-Banking Financial Companies.
- vii. Prevention of Money Laundering Act, 2002 and its circulars, notifications.
- viii. Anti-Money Laundering Regulation issued by RBI and various circulars and Guidelines thereunder.
- ix. Employee Laws –
 - The Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972
 - The Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975
 - The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & the scheme provided thereunder
- x. The Maharashtra Shops and Establishment Act, 1948
- xi. Applicable Labour Laws in India, as amended till date.
- xii. The Employees State Insurance Act, 1948
- xiii. The Negotiable Instrument Act, 1881
- xiv. The Indian Stamp Act, 1899 and the State Stamp Acts

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

- i. Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.
- ii. Listing Agreements entered into by the Company with BSE Ltd. as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, rules, regulations, directions, guidelines, standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors including one woman director.

There is no change in the composition of the Board of Directors during the period under review.

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

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

I further report that during the audit period there was no other event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards

For G. S. Bhide & Associates
Company Secretaries

Place : Mumbai
Date : May 30, 2019

Gayatri V. Phatak
Proprietor
C. P. No. 11816

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2019

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

FORM NO. MGT - 9

I. Registration & Other Details	
CIN	L17120MH1987PLC043996
Registration Date	06/07/1987
Name of the Company	Tuni Textile Mills Limited
Category / Sub-Category of the Company	Category : Company having Share Capital Sub-Category : Indian Non-Government Company
Address of the Registered Office and contact details	63/71, Dadiseth Agiary Lane, 3 rd Floor, Kalbadevi Road Mumbai-400 002 Tel : +91 22 2201 4577, Fax : +91 22 2205 6350
Whether listed company	Listed Company
Name, address and contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Pvt. Ltd. No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011 Tel : +91 22 2301 8261 / 0771

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:		
Name and Description of main Businesses	NIC Code of Business	% of Total Turnover of the Company
Manufacturing of Grey Fabrics (Cotton and Cotton mixture Fabrics)	13121	98.80%

III. Details of Subsidiary / Associate / Holding Companies				
Name & Address of Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
Not Any	Not Applicable	Not Applicable	Not Applicable	Not Applicable

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)									
Category wise Shareholding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	28382750	-	28382750	21.73	28382750	-	28382750	21.73	-
b) Central Govt. (s)	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FIs	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(1)	28382750	-	28382750	21.73	28382750	-	28382750	21.73	-

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(2)									
Total Shareholding of Promoters (A1) + (A2)	28382750	-	28382750	21.73	28382750	-	28382750	21.73	-
B. Public Shareholding									
(1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds / UTI	-	494000	494000	0.38	-	494000	494000	0.38	-
b) Banks / FI	359	-	359	0.00	359	-	359	0.00	-
c) Central Govt. (s)	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub Total B(1)	359	494000	494359	0.38	359	494000	494359	0.38	-
(2) Non-Institutions									
a) Bodies Corporate									
i. Indians	12604123	75000	12679123	9.71	12269650	75000	12344650	9.45	0.26
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual Shareholders holding nominal share capital up to ₹ 2 lakh	58246780	1079000	59325780	45.41	58027794	1083000	59110794	45.25	0.16
ii. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh	20808178	-	20808178	15.93	21665565	-	21665565	16.59	0.66
c) Others (Specify)									
i. HUF	2745462	-	2745462	2.10	2678802	-	2678802	2.05	0.05
ii. Clearing Members	860576	-	860576	0.66	629187	-	629187	0.48	0.18
iii. NRI	5329770	5000	5334770	4.08	5319891	5000	5324891	4.08	-
iv. LLP	2	-	2	-	2	-	2	-	0.00
Sub Total B(2)	100594891	1159000	101753891	77.89	100590891	1163000	101753891	77.89	-
Total Public Shareholding B = B(1) + B(2)	100595250	1653000	102248250	78.27	100591250	1657000	102248250	78.27	-

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	128978000	1653000	130631000	100.00	128974000	1657000	130631000	100.00	-

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding during and 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	
Prabhu Dayal Suareka	8,713,000	6.67%	Nil	8,713,000	6.67%	Nil	N.A.
Narendra Kr. Sureka	6,797,500	5.20%	Nil	6,797,500	5.20%	Nil	N.A.
Pradeep Kr Sureka	5,115,500	3.92%	Nil	5,115,500	3.92%	Nil	N.A.
Narendra Kr. Sureka, HUF	3,148,500	2.41%	Nil	3,148,500	2.41%	Nil	N.A.
Urmila Devi Sureka	1,633,750	1.25%	Nil	1,633,750	1.25%	Nil	N.A.
Annpurna Devi P Sureka	1,165,500	0.89%	Nil	1,165,500	0.89%	Nil	N.A.
Archit P Sureka	1,100,000	0.84%	Nil	1,100,000	0.84%	Nil	N.A.
Pradeep Kr Sureka, HUF	648,000	0.50%	Nil	648,000	0.50%	Nil	N.A.
Neha N Sureka	36,000	0.03%	Nil	36,000	0.03%	Nil	N.A.
Ruchi N Sureka	25,000	0.02%	Nil	25,000	0.02%	Nil	N.A.

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date of Changes	Reason for Changes
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		
At the beginning of the year	28382750	21.73	28382750	21.73	No Changes	
At the end of the Year	28382750	21.73	28382750	21.73		

iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date wise increase/decrease in Shareholding	Shareholding during and at the end of the year	
	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of Co.
Shilpa Agarwal	28,72,000	2.20	No Change	28,72,000	2.20
True Capital And Finance Pvt. Ltd.	20,78,000	1.59	No Change	20,78,000	1.59
Nectar Dealtrade Private Limited	20,55,760	1.57	No Change	20,33,105	1.56
Vijaya Devi	15,83,000	1.21	No Change	15,83,000	1.21
Mrigank Singhal	15,12,364	1.16	No Change	15,12,364	1.16
Hillview Impex Private Limited	14,60,500	1.12	No Change	14,60,500	1.12
Manav Agarwal, HUF	12,82,000	0.98	No Change	12,82,000	0.98
Rajesh Anchalwar	10,03,319	0.77	No Change	10,03,319	0.77
Madhavi Vemulapalli	9,63,000	0.74	No Change	9,63,000	0.74
Lakshmi Sriramulu	8,10,000	0.62	No Change	8,10,000	0.62

v) Shareholding of Directors and Key Managerial Personnel

For Each of Directors & KMP	Shareholding at the beginning of the year		Shareholding during the year and at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Narendra Kr. Sureka				
At the beginning of the year / at the end of the year	6797500	5.20	6797500	5.20
Pradeep Kr. Sureka				
At the beginning of the year / at the end of the year	5115500	3.92	5115500	3.92
Urmila Devi Sureka				
At the beginning of the year / at the end of the year	1633750	1.25	1633750	1.25
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Not Applicable (As there is no change in Shareholding of any of the Directors and Key Managerial Person either at the beginning or at the end of year)			

V. INDEBTEDNESS

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

	Secured Loans Excluding deposits ₹ in Lakh	Unsecured Loans ₹ in Lakh	Deposits ₹ in Lakh	Total Indebtedness ₹ in Lakh
Indebtedness at the beginning of the financial year				
i. Principal Amount	726.21	27.65	Nil	753.86
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil

Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	7.34	2.68	Nil	10.02
Indebtedness at the end of the financial year				
i. Principal Amount	718.87	24.97	Nil	743.84
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	718.87	24.97	Nil	743.84

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Particulars of Remuneration	Narendra Kr. Sureka (MD)	Pradeep Kr. Suareka (WTD)	Mamta Jain Co. Secretary	Archit P. Sureka CFO
1.	Gross Salary	₹ 9,00,000/-	₹ 9,00,000/-	₹ 2,64,000/-	₹ 6,65,000/-
2.	Value of Perquisites	₹ 21,600/-	₹ 21,600/-	Nil	₹ 21,600/-
3.	Stock Options	Nil	Nil	Nil	Nil
4.	Sweat Equity	Nil	Nil	Nil	Nil
5.	Commission	Nil	Nil	Nil	Nil
6.	Others (Please specify)	Nil	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty			No Instance		
Punishment					
Compounding					
B. Directors					
Penalty			No Instance		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			No Instance		
Punishment					
Compounding					

Annexure to the Directors' Report

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalizations, widespread of shareholders, changing ownership structure, greater expectations, etc. have made a good Corporate Governance sin-quo-nun of modern management.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter-Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Timely disclosure of material operational and financial information to the stakeholders;
- Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Tuni Textile Mills Ltd. (Tuni) is as under:-

1. Board of Directors: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. Committees of the Board: The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

BOARD OF DIRECTORS**Size and Composition of Board**

The Board has six members with an Executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board. The Chairman of the Board is an Executive Director.

The composition and category of the Board of Directors as at March 31, 2019, the number of other Directorships/Committee memberships held by them and their other details are as under:

Name	Designation	DIN	Date of Joining Board	Committee Membership of other Listed Co.	Committee Chairmanship of other Listed Co.	No. of Directorship of other Listed Co.
Mr. Narendra Kumar Sureka*	Managing Director	01963265	6 th July 1987	Nil	Nil	Nil
Mr. Pradeep Kumar Sureka	Whole time Director	01632706	6 th July 1987	Nil	Nil	Nil
Mrs. Urmila Devi Sureka	Non-Executive Director	02344028	23 rd March 2015	Nil	Nil	Nil
Mr. Pramod Kumar Bajaj	Independent Director	01438374	1 st Feb. 2005	Nil	Nil	Nil
Mr. Mahendra S Agarwal	Independent Director	01882316	14 th Aug 2018	Nil	Nil	Nil
Mr. Alakh V Deora	Independent Director	06889893	14 th Aug 2018	Nil	Nil	Nil

*Chairman of the Board

Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than M/s. Tuni Textile Mills Limited.
3. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
4. Apart from Mr. Narendra P. Sureka, Mr. Pradeep Kr. Sureka and Mrs. Urmila Devi Sureka, who are family members, no Directors are related with each other.
5. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

CHAIRMAN AND MANAGING DIRECTOR

His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a successful organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

Non-Executive Directors (including Independent Directors) play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgment.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

BOARD INDEPENDENCE

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Regulation 16(b) of Listing Regulations. Further, none of the Independent Director is serving more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and draft of the same has been disclosed on website of the Company.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's calls the meeting as per requirements of prevailing Act.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

Board Support

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

Board Diversity Policy

The Company has a Board approved policy on Board diversity. The objective of the policy is to ensure that the Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Board composition, as at present, broadly meets with the above objective.

Familiarization Programme for Directors

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, requirements of Listing Regulations, 2015 and other relevant regulations and affirmation taken with

respect to the same. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on-going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

Details of Board Meetings

The Board of Directors met 6 times on 30th May, 14th August, 14th November and 27th November in year 2018 and on 14th February and 19th March in year 2019 during the financial year 2018-2019.

Attendance of Board of Directors at the Board Meetings and at the last Annual General Meeting :

Name	Designation	Attendance at the AGM	Meetings Attended
Narendra Kumar Sureka*	Chairman & CEO	Yes	6
Pradeep Kumar Sureka	Executive Director	Yes	6
Mrs. Urmila Devi Sureka	Non-Executive Director	Yes	6
Pramod Kumar Bajaj	Independent Director	Yes	6
Mr. Aditya P. Khaitan	Independent Director	Yes	2
Mr. Parag S. Ambavane	Independent Director	Yes	2
Mr. Mahendra S Agarwal	Independent Director	Yes	4
Alakh V Deora	Independent Director	Yes	4

*Chairman of the Board

AUDIT COMMITTEE

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

In view of the amendments to the Listing Regulations and SEBI PIT Regulations, the Board amended the terms of reference of the Committee, effective from 1 April 2019.

These broadly include oversight of the Company's financial reporting process and disclosure of its financial information, review of financial statements, review of compliances and review of systems and controls, approval or any subsequent modification of transactions of the Company with related parties, review compliance with regulation 9A of the SEBI PIT Regulations, etc.

TERMS OF REFERENCE

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

FUNCTIONS OF AUDIT COMMITTEE

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2019.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Chairman and Managing Director, Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Standalone Financial Results are made available on the website www.tunitextiles.com and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

INTERNAL CONTROLS AND GOVERNANCE PROCESSES

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

CONSTITUTION AND MEETINGS OF AUDIT COMMITTEE

The Audit Committee re-constituted in the meeting of Board of Directors held on 14th August 2018 wherein Mr. Mahendra S Agarwal has been appointed as Member of the Committee in place of Mr. Aditya P Khaitan, who has resigned from the Committee and Board due to his personal reasons.

The members of Audit Committee met four times on dated 30th May, 14th August and 14th November in year 2018 and on 14th February in the year 2019 during the financial year ended on 31st March 2019

Name	Position	Number of Meetings Held	Meetings Attended
Mr. Pramod Kumar Bajaj	Chairman	4	4
Mr. Aditya P. Khaitan	Member	2	2
Mr. Narendra Kr. Sureka	Member	4	4
Mr. Mahendra S Agarwal	Member	2	2

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of three Non-executives, Independent Directors. All members of the Nomination and Remuneration Committee are financially literate and they have accounting or related financial management expertise. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

Terms of Reference

The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, which are as follows:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- Delegation of any of its powers to any Member of the Committee or the Compliance Officer.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non-Executive Directors

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director –
 - a. Qualification, expertise and experience of the Directors in their respective fields;
 - b. Personal, Professional or business standing;
 - c. Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & Managing Director – Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

- At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

Constitution and Meetings of Nomination & Remuneration Committee

The Nomination & Remuneration Committee re-constituted in the meeting of Board of Directors held on 14th August 2018 wherein Mr. Mahendra S Agarwal has been appointed as Member of the Committee in place of Mr. Parag S Ambavane, who has resigned from the Committee and Board due to his personal reasons. Further, Mr. Alakh V Deora has been appointed as Chairman of the Committee in place of Mr. Aditya P Khaitan who has resigned from the Committee and Board due to his personal reasons.

The Committee met two times during the year on dated 30th May and 14th August in year 2018 of the financial year ended on 31st March 2019.

The Composition of the Remuneration Committee and their attendance to the meetings of the committee are as under:

Name	Position	Number of Meetings Held	Meetings Attended
Mr. Aditya P. Khaitan	Chairman	2	2
Mr. Pramod Kumar Bajaj	Member	2	2
Mr. Parag S Ambavane	Member	2	2
Mr. Alakh V Deora	Chairman	0	0
Mr. Mahendra S Agarwal	Member	0	0

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee is constituted in line with the provisions of Regulation 20 of the SEBI LODR Regulations 2015, read with Section 178 of the Act and rules made thereunder.

Terms of Reference

The Board has clearly defined the terms of reference for this committee, which generally meets two times in a year, unless there is a specific agenda of committee meeting.

The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- approval of transfer of shares/debentures and issue of duplicate/split/consolidation/sub-division of share/ debenture certificates;
- opening/modification of operation and closing of bank accounts;
- grant of special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi- Government Institutions; to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- to appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
- to change the signatories for availing various facility from Banks/Financial Institutions;
- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry (India) Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

Compliance Officer

The Company has appointed Ms. Mamta Jain, Company Secretary as a Compliance Officer within the meaning of Regulation 6 of Listing Regulations.

Composition of Committee and Meetings attended

The Audit Committee re-constituted in the meeting of Board of Directors held on 14th August 2018 wherein Mr. Mahendra S Agarwal has been appointed as Member of the Committee in place of Mr. Aditya P Khaitan, who has resigned from the Committee and Board due to his personal reasons.

During the year, four meetings of the Committee of Directors were held on 30th May, 14th August and on 14th November in year 2018 and on 14th February in year 2019, during the financial year ended on 31st March 2019.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Narendra Kr. Sureka	Member	Chairman & Managing Director	4
Mr. Aditya P. Khaitan	Member	Independent, Non-Executive	2
Mr. Pramod Kr. Bajaj	Chairman	Independent, Non-Executive	4
Mr. Mahendra S Agarwal	Member	Independent, Non-Executive	2

Details of Shareholders' Complaints

There was Nil Complaint pending at the beginning of the Financial Year. During the year the Company did not receive any complaint from any of the shareholders. Further, there was no pending complaint at the close of the financial year.

As required under Regulation 40(9) of Listing Regulations, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email id info@tunitextiles.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES on SEBI website for faster addressing and resolutions of Investor Complaints.

Independent Directors' Meeting

During the year under review, the Independent Directors met on March 30, 2019, inter alia, to discuss:

- Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of Chairman of the Company; taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings:

Annual General Meeting	Date & Time	Venue
31 st Annual General Meeting	25 th September 2018, 2.30 PM	Ramee Guest Line Hotel, 462, A. B. Nair Road, Opp. Sun-N-Sand Hotel, Juhu, Vile Parle (W), Mumbai-400 049
30 th Annual General Meeting	29 th September 2017, 2.45 PM	Same as above
29 th Annual General Meeting	30 th September 2016, 2.30 PM	Same as above

Location and time of Extra-Ordinary General Meetings:

No Extra-Ordinary General Meeting was being held during last three financial years.

POSTAL BALLOT

A resolution has been passed on 13th December 2017 for regularization of appointment of M/s. Mehta Kothari & Associates Chartered Accountants, Mumbai as Statutory Auditors of the Company due to resignation of existing Auditors of the Company for the reason of their other assignments.

No Resolution has been passed during last two out of three financial years by way of Postal Ballot.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

SPECIAL RESOLUTION PASSED AT LAST THREE ANNUAL GENERAL MEETINGS:

A Special Resolution was passed in the Annual General Meeting held on 30th September 2016 for keeping the shareholders records at the office of the Registrar and Transfer Agent (RTA) of the Company.

No Special Resolutions were proposed or passed in remaining two out of last three Annual General Meetings.

BOARD DISCLOSURES

Compliance with Governance Framework

The Company is in compliance with all mandatory requirements under Listing Regulations, 2015.

STRICTURES AND PENALTIES

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets activities during the last three years.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is examined periodically by the Board and the Audit Committee.

SEBI / STOCK EXCHANGE COMPLIANCE

The Company has complied with all requirements of the Listing Agreement entered into with Stock Exchanges and also SEBI Listing Regulations. Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations); with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary is responsible for implementation of the Code.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz. www.tunitextiles.com. The Company has also formulated "Policy on Inquiry" in case of leak of UPSI.

All Board Directors and the designated employees have confirmed compliance with the Code.

DISCLOSURES

- (a) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- (b) Attention to the members is drawn to the disclosures of transactions with the related parties set out in the Note No. 37 of Financial Statement.
- (c) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (d) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 2015) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.
- (e) **Reconciliation of Share Capital:** As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are Listed the audit confirms that the total Listed and Paid-up

Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he/she occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a whistle blower policy encompassing vigil mechanism pursuant to the requirements of the section 177(9) of the Act and regulation 22 of the Listing Regulations. The Board of Directors, at its meeting held on 14th February 2019, revised whistle blower policy containing, inter alia, leak or suspected leak of unpublished price sensitive information in view of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, (SEBI PIT Regulations). The policy/vigil mechanism enables directors and employees to report to the Management their concerns about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and leak or suspected leak of unpublished price sensitive information.

This mechanism provides safeguards against victimization of directors/employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The policy has been appropriately communicated to the employees within the Organisation and has also been hosted on the Company's website viz. www.tunitextiles.com

COMPLIANCES REGARDING INSIDER TRADING

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has a Board approved code of conduct to regulate, monitor and report trading by insiders ('code of conduct') and a Code of Practices and Procedures for Fair Disclosure of unpublished price sensitive information ('code of fair disclosure').

During the year under review, SEBI amended the SEBI PIT Regulations. In view of the amendments to the said Regulations, the Board of Directors, at its meeting held on 14th February 2019, inter alia approved the following, with effect from 1 April 2019:

- a. Revised code of conduct to regulate, monitor and report trading by Designated Persons;
- b. Revised code of practices and procedures for fair disclosure of unpublished price sensitive information;
- c. Revised whistle blower policy;
- d. Institutional mechanism for prevention of insider trading; and
- e. Amendment to the terms of reference of the Audit Committee.

The code of conduct and code of fair disclosure framed by the Company have helped in ensuring compliance with the requirements.

COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS

- The unaudited quarterly / half yearly / yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations.

- The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper and in local language (Marathi) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- The Company's financial results and official press releases are displayed on the Company's Website- www.tunitextiles.com.
- Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.
- Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
- The Company also informs by way of intimation to BSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- A separate dedicated section under 'Investor Relation' on the Company's website gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.
- Sections 20 and 136 of the Act, read with the Companies (Accounts) Rules, 2014 permit companies to deliver the documents electronically to the registered email IDs of the members.

DISCLOSURES ON DISCRETIONARY REQUIREMENTS

The Company has also complied with the discretionary requirements as under:

a) The Board

A Chairman's office has been made available for the non-executive Chairman and he is allowed reimbursement of expenses incurred in performance of his duties.

b) Shareholder rights

The Company communicates all material events to its shareholders as and when it occurs.

c) Modified opinion(s) in the audit report

The Company confirms that its financial statements are with unmodified audit opinion.

d) Reporting of internal auditor

The internal auditor reports directly to the Audit Committee.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding 32nd Annual General Meeting for the financial year ended on 31st March 2019 is as follows :-

Date	:	Friday, 27 th September, 2019
Time	:	3.30 P.M.
Venue	:	Hotel Golden Chariot, Viral Apartment, Opp. Shopper's Stop, S. V. Road, Andheri West, Mumbai, Maharashtra 400058

b. **Financial Calendar** : 1st April to 31st March.

c. **Future Calendar for next financial year** :

Subject Matter	Tentative Dates
Financial Reporting of 1 st Quarter ended on 30 th June 2019	Mid of August, 2019
Financial Reporting of 2 nd Quarter ended on 30 th September 2019	Mid of November, 2019
Financial Reporting of 3 rd Quarter ended on 31 st December 2019	Mid of February 2020
Financial Reporting of 4 th Quarter ended on 31 st March 2020	During May 2020
Date of Annual General Meeting	During September 2020

d. **Date of Book Closure** : September 21 to September 27, 2019. (Both days inclusive)

e. **Dividend Payment** : No Dividend has been recommended for the year.

f. **Dividend History** : The Company has not paid any Dividend during last 10 years.

g. **Unclaimed Dividend / Share Certificates**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125.

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2019:

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount ₹	Due Date for transfer to IEPF Account
1.	N.A.	N.A.	N.A.	N.A.

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

h. **Listing of Shares** : BSE Limited

i. **Listing Fees** : Annual Listing Fees for Financial year 2019-2020 has been paid

j. **Stock Code & ISIN** : Scrip Code 531411 on BSE

ISIN INE560D01027 on NSDL & CDSL

k. Market Price Data (Equity Shares of Face Value of ₹ 1/-) :

Month	Price on BSE (₹) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April 2018	0.49	0.49	16,144	35213.30	32972.56
May 2018	0.49	0.49	52,367	35993.53	34302.89
June 2018	0.49	0.49	1,26,032	35877.41	34784.68
July 2018	0.49	0.49	18,155	37644.59	35106.57
August 2018	0.49	0.36	1,17,658	38989.65	37128.99
September 2018	0.35	0.28	11,00,029	38934.35	35985.63
October 2018	0.30	0.29	2,20,315	36616.64	33291.58
November 2018	0.30	0.29	49,201	36389.22	34303.38
December 2018	0.30	0.29	5,812	36554.99	34426.29
January 2019	0.30	0.19	1,31,906	36701.03	35375.51
February 2019	0.29	0.19	6,18,306	37172.18	35287.16
March 2019	0.21	0.19	8,17,417	38748.54	35926.94

l. Registrar & Share Transfer Agent

M/s. Purva Shareregistry (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Purva Shareregistry (India) Private Limited

9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011

Tel : 022-23016761, Website : www.purvashare.com

m. Share Transfer System and Transfer of Shares

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

n. Consolidation of Folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

o. Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

p. Distribution Schedule as on 31st March 2019

Shareholding of Nominal Value of	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
Up to 5000	3928	64.26	7192081	5.51
5001-10000	864	14.13	7476907	5.72
10001-20000	533	8.72	8183909	6.26
20001-30000	221	3.62	5615793	4.30
30001-40000	114	1.86	4089318	3.13
40001-50000	110	1.80	5305011	4.06
50001-100000	165	2.70	13052461	9.99
100001 and Above	178	2.91	79715520	61.02
Total	6113	100.00	130631000	100.00

q. Shareholding Pattern with Categories of Shareholders as on 31st March 2019

Categories	No. of Shares	% of Shareholding
Promoters, Directors, Relatives & PAC	28382750	21.73
Indian Mutual Fund	494000	0.38
FII (Mauritius Based)	359	0.00
Private Corporate Bodies	12344650	9.45
Resident Individuals	80776359	61.84
Others (Clearing Members)	629187	0.48
NRIs	5324891	4.08
Hindu Undivided Families	2678802	2.05
LLP	2	0.00
Total	130631000	100.00

r. Details of Shareholders holding more than 5% holding under Public Category

Details of Shareholders holding more than 5% Equity Shares in the Company at the end of Financial Year ended on 31st March 2019 –

Name of Shareholder	No. of Shares Held	% of Shareholding
N. A.	Nil	Nil

s. Dematerialization of Equity Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

As on 31st March 2019, 98.38% public shareholdings of the Company are in dematerialized form.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant (DP).

- b) Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- c) DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is ABS Consultants Private Limited.
- e) RTA will process the DRF and confirm or reject the request to DP/ depositories
- f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP

t. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form ~~SH-13~~ (Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

u. Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

v. Service of Documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. to their dedicated e-mail id i.e., "purvashr@mtnl.net.in"

w. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

x. For the Attention of Shareholders holding shares in electronic form

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

y. Details on use of Public Funds Obtained in the last three years :

No Public Fund has been raised during last three financial years.

z. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion data likely impact on Equity :

Not Any.

aa. Investors' Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company :

Ms. Mamta Jain - cs@tunitextiles.com

bb. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

cc. Address for Correspondence

Tuni Textile Mills Limited

63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400002

Email: info@tunitextiles.com ; Tel: +91 22 2201 4577, Fax: +91 22 2205 6350

dd. Plant Location

Tuni Textile Mills Limited

B-5, MIDC Murbad, Dist. Thane (Maharashtra)

CERTIFICATE

Based on our verification of the books, papers, minute books, forms and returns filed, MCA website and other records maintained by **Tuni Textile Mills Limited**, having its Registered office at 63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400 002 Maharashtra and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended on March 31, 2019, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such Statutory authority.

For **G. S. Bhide & Associates**
Company Secretaries

Gayatri V. Phatak
Proprietor
C. P. No. 11816

Place : Mumbai
Date : May 30, 2019

CEO / CFO Certification

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Tuni Textile Mills Limited (“the Company”) to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company’s code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
- (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

For Tuni Textile Mills Limited

Archit P. Sureka
Chief Financial Officer
Mumbai, dated 30th May 2019

For Tuni Textile Mills Limited

Narendra Kr. Sureka
DIN : 01963265
Managing Director

ANNUAL CERTIFICATE UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with M/s. Tuni Textile Mills Limited Code of Business Conduct and Ethics for the year ended March 31, 2019.

Mumbai, dated 30th May 2019

For Tuni Textile Mills Limited

Narendra Kr. Sureka
DIN : 01963265
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**The Members of TUNI TEXTILE MILLS LIMITED**

1. This certificate is issued in accordance with the terms of our engagement letter with the Company.
2. We have examined the compliance of conditions of corporate governance by **Tuni Textile Mills Limited** (the 'Company') for the year ended 31st March 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2019.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

9. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose..

For **Mehta Kothari & Associates**
Chartered Accountants
FRN - 106247W

Place : Mumbai
Date : May 30, 2019

Pradip Mehta
Partner
Membership No. 035447

INDEPENDENT AUDITORS' REPORT

To

The Members of

TUNI TEXTILE MILLS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Tuni Textile Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) as 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

We have determined the matter described below the key audit matters to be communicated in our report.

Key Audit Matters	How our Audit addressed the key Audit Matters
<p>Appropriateness of revenue recognition on sale of goods.</p> <p>Refer note 2.2 and Note 25 of the financial statements.</p> <p>The Company has revenue from sale of goods and sale of services.</p>	<p>Our audit procedures relating to revenue recognition include the following:</p> <p>a. Understood and performed procedures to assess the design and test the operating effectiveness of relevant controls related to recording of revenue.</p>

Key Audit Matters	How our Audit addressed the key Audit Matters
<p>Revenue from sale of goods is recognised under Ind-AS 115- 'Revenue from Contracts with Customers' at a point in time when the control has been transferred, which generally coincides with dispatch of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales.</p> <p>Revenue from services is recognized by measuring progress towards satisfaction of performance obligation for the services rendered</p> <p>We determined this to be a key audit matter due to significant time and effort involved in assessing the appropriateness of revenue recognition and covering the aspects of completeness, accuracy, occurrence and cut off.</p>	<p>b. Assessed whether the policy of recognising revenue was in line with Ind AS - 115.</p> <p>c. Tested the reconciliation of the amounts as per the sales register to the general ledger.</p> <p>d. Performed tests, on sample basis by validating the amounts recorded with the underlying documents which inter - alia includes invoices, dispatch documents, customer orders/ contracts, receipt of consideration from customers, where applicable.</p> <p>e. Performed cut off testing, on sample basis and ensured that the revenue from sale of goods is recognised in the appropriate period.</p> <p>Based on the above procedures performed, we did not identify any exceptions in revenue recognition on sale of goods.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by 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 31 March 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019, from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements— Refer Note 34 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and protection Fund by the Company; and
 - (iv) The disclosures requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.
3. With respect to the matter 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 according to the information and 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 read with schedule V of the Act.

For and on behalf of
MEHTA KOTHARI & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106247W)

Pradip Mehta

Partner

Membership No. 035447

Place : Mumbai

Dated : May 30, 2019

**“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON
THE FINANCIAL STATEMENTS OF TUNI TEXTILE MILLS LIMITED**

Referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date

In terms of information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) The Company has maintained records showing full particulars, including quantitative details and situation of its fixed assets;
- (b) We have been informed that the management has, at reasonable intervals during the year, physically verified major portion of the fixed assets. No material discrepancies, as represented to us, were noticed on such verification; and
- (c) According to the representation made, and to the best of our knowledge and belief, the title deeds of immovable properties are held in the name of the company.
- ii. As certified by the management, the inventories have been physically verified at the close of the year by the management. In our opinion, the frequency of verification needs to be increased. No material discrepancies, as represented to us, were noticed on such verification.
- iii. The Company has, during the year, not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of clauses (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable;
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments, given any guarantee or provided any security in connection with a loan during the year. Therefore the provisions of section 185 and 186 of the Act have not been applicable to the Company;
- v. the Company has not accepted any deposit from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable;
- vi. the Central Government has not specified the maintenance of cost records under sub section 1 of Section 148 of the Act for any of the products of the Company for the year under audit;
- vii. In case of in respect of Statutory Dues;
 - a) on the basis of books and records examined by us, the following undisputed statutory dues have delayed been deposited with the appropriate authorities

Sr. no	Nature	Amount in ₹	Due date	Date deposited on
a.	Provident fund	19941	20/05/2018	29/05/2018
		19941	20/06/2018	19/07/2018
		19926	20/07/2018	17/09/2018
		21265	20/10/2018	13/11/2018
		21265	20/11/2018	20/12/2018
b.	Profession tax	10575	30/04/2018	11/06/2018
		11375	31/05/2018	20/07/2018
		13125	30/06/2018	20/07/2018
		15925	31/07/2018	22/09/2018

Sr. no	Nature	Amount in ₹	Due date	Date deposited on
		16750	31/08/2018	22/09/2018
		19450	30/09/2018	23/11/2018
		18750	31/10/2018	21/12/2018
		15175	30/11/2018	21/12/2018
		15800	31/12/2018	25/01/2019
		16600	31/01/2019	22/02/2019
		17325	28/02/2019	18/03/2019
		16350	31/03/2019	19/04/2019

There are no arrears of undisputed statutory dues as at 31st March, 2019 for the period of more than six months from the date they became payable; and

- b) according to the information, the dues in respect of income tax, sales tax, service tax, goods and services tax w.e.f. 1 July 2017, duty of custom, duty of excise, value added tax that have not been deposited on account of any dispute with the appropriate authorities, where the disputes are pending, are as under:

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates*	Due date as per notice of demand
Income Tax Act	Interest	947334	1995-1996	10.05.2001
Income Tax Act	Interest	338640	1996-1997	19.09.2003
Income Tax Act	Interest	158134	1997-1998	19.09.2003

*Assessment Year

- For the above demands, as informed to us, the Company has filed waiver petitions before Chief Commissioner of Income Tax for waiver of interest, those petitions are pending to be heard;
 - The waiver of above demands has been considered in scheme of rehabilitation by BIFR;
 - The Company has represented before the Tax Recovery Officer, to give effect to the order of Honorable BIFR.
- viii. on the basis of selective checks carried out during the course of audit, we are of the opinion that the Company has not defaulted in the repayment of loans or borrowing to banks There had been no dues payable to financial institution, Government, or debenture holders;
- ix. according to the representation made, and to the best of our knowledge and belief the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans during the year.
- x. according to the representation made, and to the best of our knowledge and belief, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit;
- xi. according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act;
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company;

- xiii. according to the representation made, and to the best of our knowledge and belief, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standards;
- xiv. according to the representation made, and to the best of our knowledge and belief, 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, the provisions of clause 3 (xiv) of the Order are not applicable to the Company;
- xv. according to the representation made, and to the best of our knowledge and belief, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3 (xv) of the Order are not applicable to the Company; and
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and therefore, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For and on behalf of
MEHTA KOTHARI & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106247W)

Place : Mumbai.
Dated : May 30, 2019

Pradip Mehta
Partner
Membership No. 035447

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in the Independent Auditor’s Report to the members of the Company on the financial statements for the year ended 31 March, 2019

Report on the Internal Financial Controls over financial reporting under section 143(3)(i) of the Companies Act, 2013 (“the Act”)

1. We have audited the internal financial controls over financial reporting of **Tuni Textile Mills Limited** (“the Company”) as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. The Board of Directors of the Company 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 (“the 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, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the the Act.

Auditor’s Responsibility

3. 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”) issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls. 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.
4. 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.
5. 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

6. 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

7. 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

8. In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, adequate Internal Financial Control System over Financial Reporting and such Internal Financial Control over Financial Reporting were operating effectively as at 31 March 2019, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For and on behalf of
MEHTA KOTHARI & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106247W)

Pradip Mehta
Partner
Membership No. 035447

Place : Mumbai.
Dated : May 30, 2019

Balance Sheet as at 31st March, 2019

(Amount in ₹)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-current assets			
Property, Plant and Equipment			
Intangible assets	3A	18,064,614	19,780,138
Investment Property	3B	41,612	53,306
Financial Assets	4	1,095,989	1,095,989
(i) Investments			
(ii) Loans	5	500,000	500,000
(iii) Others	6	621,165	621,165
Deferred tax assets (net)	7	1,097,603	1,037,491
Other non-current assets	8	8,455,066	7,471,897
Total non-current assets	9	84,788	824,788
Current assets		29,960,836	31,384,773
Inventories	10	153,668,355	125,628,691
Financial Assets			
(i) Trade receivables	11	125,557,146	64,868,529
(ii) Cash and cash equivalents	12	217,322	201,106
(iii) Other financial assets	13	828,475	767,332
Other current assets	14	23,880,582	20,694,282
Total current assets		304,151,880	212,159,939
TOTAL ASSETS		334,112,716	243,544,713
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	15	131,792,500	131,792,500
Other Equity	16	(7,035,862)	(8,696,479)
Total equity		124,756,638	123,096,021
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	17	1,184,320	1,400,076
Provisions	18	2,087,393	1,505,567
Total non-current liabilities		3,271,713	2,905,643
Current liabilities			
Financial Liabilities			
(i) Borrowings	19	74,383,889	75,386,543
(ii) Trade payables	20	125,944,766	37,435,345
(iii) Other financial liabilities	21	1,537,257	1,799,240
Other current liabilities	22	3,371,882	1,667,115
Provisions	23	671,640	718,435
Current Tax Liabilities (Net)	24	174,930	536,371
Total current liabilities		206,084,364	117,543,049
TOTAL EQUITY AND LIABILITIES		334,112,716	243,544,713

Contingent Liabilities and Commitments 34
(To the extent not provided for)

Significant Accounting Policies 2
The accompanying notes from part of the financial statements 1 to 45

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants
(Firm Registration no. 106247W)

For and on behalf of the Board of Directors

Narendra Kumar Sureka
Chairman and Managing Director
DIN 01963265

Pradeep Kumar Sureka
Whole Time Director
DIN 01632706

Pradip Mehta
Partner
Membership no. 035447

Archit Sureka
Chief Financial Officer

Mamta Jain
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2019

(Amount in ₹)

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue from operations	25	347,548,486	332,715,370
Other income	26	4,214,194	11,195,661
Total Revenue		351,762,680	343,911,031
Expenses:			
Cost of materials consumed	27	49,961,243	56,756,583
Purchases of Stock-in-Trade	28	233,624,952	211,682,044
Changes in inventories	29	(21,438,349)	(5,003,032)
Employee benefits expense	30	32,828,897	22,541,284
Finance costs	31	10,002,938	9,647,542
Depreciation and amortization expense	3A & 3B	4,786,392	6,705,298
Other expenses	32	41,256,829	39,576,200
Total expenses		351,022,902	341,905,918
Profit before exceptional items and tax		739,779	2,005,113
Exceptional items:		-	-
Profit before tax		739,779	2,005,113
Tax expense:			
(1) Current tax		-	523,883
(2) Deferred tax		(847,532)	2,875,088
(3) Tax adjustment for earlier years			-
		(847,532)	3,398,971
Profit (Loss) for the year		1,587,311	(1,393,858)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		99,062	(537,020)
Income tax relating to above item		25,756	(165,939)
Total other Comprehensive Income		73,306	(371,081)
Total Comprehensive Income for the period		1,660,617	(1,764,939)
Earnings per equity share:			
Basic and Diluted	33	0.012	(0.011)
Contingent Liabilities and Commitments (To the extent not provided for)	34		
Significant Accounting Policies	2		
The accompanying notes from part of the financial statements	1 to 45		

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

(Firm Registration no. 106247W)

For and on behalf of the Board of

Directors

Narendra Kumar Sureka

Chairman and Managing Director

DIN 01963265

Pradeep Kumar Sureka

Whole Time Director

DIN 01632706

Pradip Mehta

Partner

Membership no. 035447

Archit Sureka

Chief Financial Officer

Mamta Jain

Company Secretary

Mumbai, 30th May'2019Mumbai, 30th May'2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019**A. Equity Share Capital** (Amount in ₹)

Particulars	Value
Balance as at April 1, 2017	131792500
Changes during the year	0
Balance as at March 31, 2018	131792500
Balance as at April 1, 2018	131792500
Changes during the year	0
Balance as at March 31, 2019	131792500

B. Other Equity

Particulars	Reserves and Surplus			Other Comprehensive income	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period i.e. 1 st April, 2017	4500000	7585627	(19692622)	675455	(6931540)
Profit for the year	0	0	(1393858)	0	(1393858)
Other Comprehensive Income for the year*	0	0	0	-371081	(371081)
Balance at the end of the reporting period i.e. 31st March, 2018	4500000	7585627	(21086480)	304374	(8696479)
"Balance at the beginning of the reporting period i.e. 1 st April, 2018"	4500000	7585627	(21086480)	304374	(8696479)
Profit for the year	0	0	1587311	0	1587311
Other Comprehensive Income for the year*	0	0	0	73306	73306
Balance at the end of the reporting period i.e. 31st March, 2019	4500000	7585627	(19499169)	377680	(7035862)

*Movement in other comprehensive income relates to remeasurements of the net defined benefit plans

Nature of reserves

a) Securities Premium Reserve: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

b) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to other reserve, dividends or other distributions paid to shareholders.

c) Capital Reserve: The reserve is utilised in accordance with the provision of the Companies Act, 2013.

Contingent Liabilities and Commitments 34

(To the extent not provided for)

Significant Accounting Policies 2

The accompanying notes form part of the financial statements 1 to 45

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES

Chartered Accountants

(Firm Registration no. 106247W)

For and on behalf of the Board of Directors

Narendra Kumar Sureka
Chairman and Managing Director
DIN.01963265

Pradip Mehta
Partner
Membership no. 035447

Pradeep Kumar Sureka
Whole Time Director
DIN.01632706

Archit Sureka
Chief Financial Officer

Mamta Jain
Company Secretary

Mumbai, 30th May'2019

Mumbai, 30th May'2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in ₹)

	2018-2019		2017-2018	
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items	739,779		2,005,113	
Adjustment for				
Depreciation	4,786,392		6,705,298	
Profit / Loss on sale of fixed assets	48,995		(9,623,687)	
Interest on late payment of taxes	-		-	
Interest / other income	(4,154,194)		(1,511,974)	
Dividend	(60,000)		(60,000)	
Interest expenses	10,002,938		9,647,542	
Operating profit before working capital changes	11,363,910		7,162,291	
Adjustment for				
Trade and other receivables	(63,256,172)		17,669,065	
Inventories	(28,039,664)		(13,187,067)	
Trade payables	88,509,420		(14,044,667)	
Other payables	2,398,321		(4,727,076)	
Cash generated from operations	10,975,816		(7,127,454)	
Direct taxes paid	(522,834)		(503,883)	
Cash flow before extraordinary items	10,452,982		(7,631,337)	
Prior period items	-		-	
Extraordinary items	-		-	
NET CASH FLOW FROM OPERATING ACTIVITIES		10,452,982		(7,631,337)
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(3,208,169)		(10,262,627)	
Sale of fixed assets	100,000		16,000,000	
(Purchase) / sale of investments (Net)	-		-	
(Increase) / decrease in deposits	-		-	
Interest / other income	4,154,194		1,511,974	
Dividend received	60,000		60,000	
NET CASH USED IN INVESTING ACTIVITIES		1,106,025		7,309,347
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital	-		-	
Proceeds from long term borrowings	-		-	
Repayment of long term borrowings	(537,199)		(1,607,667)	
Proceeds from short term borrowings	-		2,765,486	
Repayment of short term borrowings	(268,613)		-	
Change in working capital borrowing from banks	(734,040)		8,535,156	
Interest paid	(10,002,938)		(9,647,542)	
NET CASH FROM FINANCING ACTIVITIES		(11,542,791)		45,433
NET INCREASE IN CASH AND CASH EQUIVALANTS (A+B+C)		16,216		(276,557)
OPENING BALANCE OF CASH AND CASH EQUIVALANTS		201,106		477,662
CLOSING BALANCE OF CASH AND CASH EQUIVALANTS		217,322		201,106

Notes to cash flow statement:

- 1 The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 on "Statement of Cash Flow" notified u/s 133 of Companies Act, 2013 ("Act") read with relevant rules issued thereunder and the relevant provisions of the Act.
- 2 Change in liability arising from financing activities

Particulars	Non-current borrowing	Current borrowing
Balance as at 1st April 2017	497779	64085901
Net cash flows	(1607667)	11300642
Balance as at 31 st March 2018	-1109888	75386543
Net cash flows	(537199)	-1002653
Balance as at 31 st March 2019	(1647087)	74383889

- 3 All the figures in brackets are outflow.
- 4 Previous year's figures have been regrouped wherever necessary.

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES
Chartered Accountants
(Firm Registration no. 106247W)

For and on behalf of the Board of Directors

Narendra Kumar Sureka
Chairman and Managing
Director
DIN 01963265

Pradeep Kumar Sureka
Whole Time Director
DIN 01632706

Pradip Mehta
Partner
Membership no. 035447

Archit Sureka
Chief Financial Officer

Mamta Jain
Company Secretary

Mumbai, 30th May'2019

Mumbai, 30th May'2019

Notes to the financial statements for the year ended 31st March 2019**Note 1: CORPORATE INFORMATION**

Tuni Textile Mills Limited ("the Company") is a public limited Company domiciled in India with its registered office 63/71 Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400002. The Company is listed on the Bombay Stock Exchange (BSE). The Company is manufacturer of Grey fabrics.

Note 2: SIGNIFICANT ACCOUNTING POLICIES**2.1) BASIS OF PREPARATION****A) Statement of Compliance**

- a) These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- b) The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.
- c) The financial statements of the Company for the year ended 31st March, 2019 were approved for issue in accordance with the resolution of the Board of Directors on 30th May, 2019.

B) Basis of Measurement

These financial statements are prepared under the historical cost convention, except for the following:

- a) Certain financial assets and liabilities that are measured at fair value (refer- Accounting policy regarding financials instruments).
- b) Defined benefit plans –present value of defined benefit obligation unless otherwise indicated.

C) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

D) Use of Estimates

- a) The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities prospectively.
- b) Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:
 - i) Measurement of defined benefit obligations - Note 18.
 - ii) Measurement and likelihood of occurrence of provisions and contingencies - Note 18 & 23 and 34.

iii) Recognition of deferred tax liabilities - Note 8.

E) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the note 39.

2.2) REVENUE RECOGNITION

The Company derives revenues primarily from sale of manufactured goods.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the retrospective effect method. The adoption of the new standard did not have a material impact on the Company.

Sale of Goods

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Sale of Services

Revenue from services is recognized by measuring progress towards satisfaction of performance obligation for the services rendered.

Other operating revenue - Export incentives

The benefits, on account of entitlement to import duty free raw material under the Advance License Scheme in respect of goods already exported, are not valued and brought into the books in the year of export. The raw materials are recorded at cost at which they are procured in the year of import.

The benefits under FMS/FPS/Incremental Export Incentivisation Scheme and Duty Drawback Scheme are recognized when the exports are made.

2.3) EMPLOYEE BENEFITS

a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, bonus, ex gratia, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

b) Post-Employment Benefits

Defined Contribution Plans

Obligations for contributions to defined contribution plans such as Provident Fund maintained with Regional Provident Fund Office and Employees State Insurance Corporation ('ESIC') are expensed as the related service is provided.

Defined Benefit Plans

The following post – employment benefit plans are covered under the defined benefit plans:

- Gratuity Fund

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

c) Other Long-Term Employee Benefits

Compensated Absences

The Company does not have any leave encashment policy. Further any unutilized leave at the end of the year is lapsed and not eligible for carry forward.

2.4) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items (assets and liabilities) are restated using the exchange rate prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to finance costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was

measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

2.5) ACCOUNTING FOR TAXES ON INCOME

Income tax expense for the period comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

2.6) PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of profit and loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

2.7) INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working

condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.8) INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

2.9) DEPRECIATION

Depreciation on Property, Plant & Equipment is provided on straight line method at the rates and in the manner specified in Schedule II to the Companies Act, 2013. In the case of revalued assets, depreciation is calculated on straight line method on the revalued amounts as determined by the valuer.

Depreciation on Property, Plant & Equipment added/disposed off/discarded during the period has been provided on the pro-rata basis with reference to the date of addition/disposal/discarding.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

2.10) AMORTIZATION

Intangible assets (Application Software) acquired by the Company are amortised on a straight line basis over its useful life i.e. three years, as decided by the management.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

2.11) BORROWING COSTS

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

2.12) LEASES

Where the Company has substantially acquired all risks and rewards of ownership of the assets, leases are classified as financial lease. Such assets are capitalized at the inception of the lease, at the lower of the fair value or present value of minimum lease payment and liability is created for equivalent amount. Each lease payment is allocated between liability and finance cost so as to obtain constant periodic rate of interest on the outstanding liability for each period. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is

depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired/given under leases other than finance leases are classified as operating leases. Operating lease payments/receivable are recognised as an expense/income in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight line basis over the lease term.

2.13)PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions are recognized when the Company has a present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability. The company does not recognize a contingent liability but discloses its existence in the financial statement.

Contingent assets are neither recognized nor disclosed in the financial statements.

2.14)IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash generating units ("CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

2.15)EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all years presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16)INVENTORIES

Inventories are valued at lower of cost and estimated net realisable value. Obsolete, defective and unserviceable stocks are provided for. Materials-in-process are valued at raw material cost and

estimated cost of conversion. Cost of finished goods includes conversion and other costs incurred in bringing the inventories to their present location and condition

Cost of Inventories is computed on FIFO basis. Goods in transit, if any, are stated at actual cost incurred up to the date of balance sheet.

2.17) FINANCIAL INSTRUMENTS

I. FINANCIAL ASSETS

A) Initial Recognition And Measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset. Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B) Classification And Subsequent Measurement

- a) **Amortised cost:** A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- b) **Fair value through other comprehensive income (FVOCI):** A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- c) **Fair value through profit and loss (FVTPL):** A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

C) Cash And Bank Balances

- i. Cash and Cash Equivalents which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of 3 months or less from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- ii. Other Bank Balances which includes balances and deposits with banks that are restricted for withdrawal and usage.

D) Equity Instruments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E) Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

F) Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

G) Impairment of Financial Asset

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, security deposits, bank deposits and bank balance.
- b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

H) Income recognition

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Dividend Income

Dividend income from investments is recognised when the right to receive payment has been established.

II. FINANCIAL LIABILITIES**A) Initial Recognition And Measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

B) Classification And Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

C) De-Recognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

III. Offsetting of Financial Assets and Financial Liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.18) RECENT ACCOUNTING DEVELOPMENTS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after 1 April 2019:

Ind AS 116 – "Leases"

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognise assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

Application of standard is not expected to have any significant impact on the Company's financial statements.

Note 3A Property, plant and Equipment

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 31.03.2018	Additions during the year	Deduction during the year	As on 31.03.2019	Total upto 31.03.2018	Provided for the year	Written back during the year	Total upto 31.03.2019	Total as on 31.03.2019
Tangible Asset									
Leasehold Land	198853	0	0	198853	6476	3238	0	9714	189139
Free hold land	0	0	0	0	0	0	0	0	0
Factory Building	5076201	0	0	5076201	1248721	667953	0	1916674	3159526
Office Premises	730815	0	0	730815	34920	17458	0	52378	678437
Plant & Machineries	22352702	2780000	0	25132702	11117287	3341508	0	14458795	10673908
Electrical equipment	816878	0	0	816878	266827	133581	0	400408	416470
Furniture & Fixtures	15113	0	0	15113	7071	3536	0	10607	4506
Office Equipments	279214	146982	0	426196	150573	48686	0	199259	226937
Computers	351922	231187	0	583110	165588	133287	0	298875	284234
Vehicles	3517597	50000	659821	2907776	561693	425451	510826	476318	2431458
TOTAL AS AT 31.03.2019	33339296	3208169	659821	35887643	13559157	4774698	510826	17823029	18064614

(Amount in ₹)

PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK
	As on 31.03.2017	Additions during the year	Deduction during the year	As on 31.03.2018	Total upto 31.03.2017	Provided for the year	Written back during the year	Total upto 31.03.2018	Total as on 31.03.2018	
Property, plant & equipment										
Leasehold Land	198853	0	0	198853	3238	3238	0	6476	192377	
Free hold land	5776098	0	5776098	0	95208	68341	163549	0	0	
Factory Building	5620023	444485	988308	5076201	725891	747374	224544	1248721	3827479	
Office Premises	730815	0	0	730815	17460	17460	0	34920	695895	
Plant & Machinerics	14836953	7515750	0	22352702	5892576	52247114	0	11117287	11235415	
Electrical equipment	816878	0	0	816878	133378	133449	0	266827	550051	
Furniture & Fixtures	15113	0	0	15113	3536	3535	0	7071	8042	
Office Equipments	279214	0	0	279214	96742	53832	0	150573	128641	
Computers	179716	172206.	0	351922	65004	100584	0	165588	186334.	
Vehicles	1452411	2065186	0	3517597	220613	341080	0	561693	2955904	
TOTAL AS AT 31.03.2018	29906074	10197627	6764406	33339295.69	7253646	6693604	388093	13559157	19780138	

(Amount in ₹)

3A(i) Security

Property, plant and equipment are hypothecated /pledged against borrowings refer note 17 & 19

Note 3B Intangible Asset

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 31.03.2018	Additions during the year	Deduction during the year	As on 31.03.2019	Total upto 31.03.2018	Provided for the year	Written back during the year	Total upto 31.03.2019
Intangible Asset Software	65000	0	0	65000	11694	11694	0	23388
TOTAL AS AT 31.03.2019	65000	0	0	65000	11694	11694	0	41612

(Amount in ₹)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 31.03.2017	Additions during the year	Deduction during the year	As on 31.03.2018	Total upto 31.03.2017	Provided for the year	Written back during the year	Total upto 31.03.2018
Intangible Asset Software	0	65000	0	65000	0	11694	0	53306
TOTAL AS AT 31.03.2018	0	65000	0	65000	0	11694	0	53306

(Amount in ₹)

Notes on Financial Statements for the year ended 31st March 2019

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Note 4: INVESTMENT PROPERTY		
Immovable Properties* [refer note no.34(b)(i)]	952,500	952,500
Gold coin (50gms) #	143,489	143,489
Total	1,095,989	1,095,989
* Residential flat has not been completed and hence depreciation has not been taken. Uncalled and unpaid amount is ₹ 1422500. # Since fair value is higher than carrying value, therefore impairment/ depreciation not required to be provided. fair value		
Gold coin (50gms) #	163,300	153,400

Note 5: INVESTMENTS		
Investments measured at Fair Value Through Profit & Loss In equity shares (unquoted)		
G.P. Parsik Bank*** (10000 equity shares having face value of ₹ 50/- each)	500,000	500,000
Total	500,000	500,000
*** Since the shares has been conditionally allotted as per sanction letter and these are not saleable in the market. The bank will buy the same at the carrying value on repayment of financial facilities, therefore no fair value of this investment has been taken into account.		
Aggregate amount of Unquoted Investments	500,000	500,000
Aggregate provision for diminution in the value of Investments	-	-

Note 6: NON-CURRENT LOANS		
(Unsecured, considered good unless otherwise stated)		
Security Deposits	621,165	621,165
Total	621,165	621,165

Note 7: OTHER NON-CURRENT FINANCIAL ASSETS		
(Unsecured, considered good unless otherwise stated)		
Long term deposits with banks having maturity more than 12 months	1,097,603	1,037,491
Total	1,097,603	1,037,491

Note 8: DEFERRED TAX ASSETS(net)

A. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(Amount in ₹)

Particulars	For the year ended	
	31.03.2019	31.03.2018
Profit before Tax	739,779	2,005,113
Enacted tax rate	26.00%	30.90%
Expected income tax expense at statutory income tax rate	192,343	619,580
Income exempt from tax/Items not deductible	(16,404)	764,348
Income tax benefit on brought forward losses lapsed	-	1,491,160
Future tax benefits	161,393	279,745
Tax in respect of earlier years	(1,184,864)	244,138
Tax expense for the year	(847,532)	3,398,971
<u>Deferred Tax Liabilities:</u>		
Other	-	-
<u>Deferred Tax Assets:</u>		
Difference between book and tax depreciation	1,419,420	1,429,650
MAT Credit Entitlement*	4,071,304	3,909,911
Gratuity	710,381	681,160
Business Losses	1,408,664	734,894
Deferment of Allowances-Provision for debtors	266,918	248,646
Deferment of Allowances	578,379	467,636
Total	8,455,066	7,471,897

*As per Ind AS 12, the Company has considered MAT entitlement credit as deferred tax asset being unused tax credit entitlement.

The movement in deferred tax assets and liabilities during the year ended March 31, 2019 and March 31, 2018:

(Amount in ₹)

Particulars	As at 01.04.2017 Deferred Tax (Liabilities)/ Asset	(Charge)/ Credit in statement of Profit and Loss	As at 31.03.2018 Deferred Tax (Liabilities)/ Asset	(Charge)/ Credit in statement of Profit and Loss	As at 31.03.2019 Deferred Tax (Liabilities)/ Asset
Depreciation and amortisation	1,519,736	(90,086)	1,429,650	(10,230)	1,419,420
MAT Credit Entitlement*	3,630,166	279,745	3,909,911	161,393	4,071,304
Gratuity	335,804	345,356	681,160	29,221	710,381
Business Losses	4,120,828	(3,385,934)	734,894	673,770	1,408,664
Deferment of Allowances- Provision for debtors	269,316	(20,670)	248,646	18,272	266,918
Deferment of Allowances	315,174	152,462	467,636	110,743	578,379
Other	(9,978)	9,978	-	-	-

Particulars	As at 31.03.2019	As at 31.03.2018
Note 9: OTHER NON CURRENT ASSETS		
Advance for Capital Goods	-	740,000
Security Deposits	84,788	84,788
Total	84,788	824,788

Note 10 :INVENTORIES		
(Refer note 2.17)		
Raw Materials and components	35,958,300	29,656,185
Work-in-progress	3,175,200	6,199,200
Finished goods	107,195,455	82,733,106
Stores and spares	7,339,400	7,040,200
Total	153,668,355	125,628,691

Note 11 :TRADE RECEIVABLES		
Unsecured, considered good		
Considered good	126,583,752	64,868,529
Considered doubtful	-	804,678
	126,583,752	65,673,207
Less: Allowance for doubtful trade receivables	1,026,606	804,678
Total	125,557,146	64,868,529

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Note 12 :CASH AND BANK BALANCES		
Cash and Cash equivalents		
Balances with Bank	4,776	5,578
Cash on hand	212,546	195,527
Total	217,322	201,106

Note 13 :OTHER CURRENT FINANCIAL ASSETS		
Unsecured,considered good		
Interest accrued but not due on fixed deposits	632,359	571,216
Others	196,116	196,116
Total	828,475	767,332

Note 14 : OTHER CURRENT ASSETS		
(Unsecured, considered good unless otherwise stated)		
Advance to Staff	180,628	372,743
Advance to suppliers	17,897,260	15,969,448
Sales Tax Receivable	145,256	986,623
Security Deposits	121,878	-
GST Receivable	5,422,709	3,284,103
Prepaid expenses	112,851	81,366
Total	23,880,582	20,694,282

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Note "15" :EQUITY				
Authorised				
Equity Shares of ₹ 1/- each	135000000	135,000,000	135000000	135,000,000
Issued.Subsribed and Paid up				
Equity Shares of ₹ 1/- each	130631000	130,631,000	130631000	130,631,000
Add: Forfeited shares (amount originally paid up in respect of 227500 shares)	-	1,161,500	-	1,161,500
Total	130631000	131,792,500	130631000	131,792,500

a : During the current year and in the previous year, there have been no movements in the numbers of equity shares outstanding.

b : Details of Shareholders holding more than 5% of shares of the company:-

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Prabhudayal Sureka	8713000	6.67	8713000	6.67
Mr. Narendra Sureka	9946000	7.61	9946000	7.61

c : Terms/Rights attached to Equity Shares:-

- (i) The Company has only one class of Equity shares having par value of ₹ 1/- per share.
- (ii) Each holder of Equity share is entitled to one vote per share.
- (iii) In the event of Liquidation of the Company , the holders of Equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues(if any) .The distribution will be in proportion to the number of equity shares held by the shareholders.

(Amount in ₹)

Particulars	As at 31 March 2019	As at 31 March 2018
Note "16" : OTHER EQUITY		
a. Capital Reserves		
Balance as per the last financial statements	4,500,000	4,500,000
Sub-total	4,500,000	4,500,000
b. Securities Premium Account		
Balance as per the last financial statements	7,585,627	7,585,627
Sub-total	7,585,627	7,585,627
c. Surplus in the Statement of Profit and Loss		
Balance or (deficit) as per the last financial statements	(21,086,480)	(19,692,622)
Add/(Less): Net Profit/(Loss) for the year	1,587,311	(1,393,858)
Sub-total	(19,499,169)	(21,086,480)
d. Other Comprehensive income		
Balance as per the last financial statements	304,374	675,455
Add: Movement in OCI (Net) during the year	73,306	(371,081)
	377,680	304,374
Total	(7,035,862)	(8,696,479)

Note "17": BORROWINGS		
Secured		
Term Loans from banks (refer note no 17.1)	1,184,320	1,400,076
Total	1,184,320	1,400,076

17.1 : Terms of Repayment and Security details of Term Loans :

Name of the Bank		HDFC Bank Ltd
Type of Loan		Vehicle Loan
Loan Account No.		50710742
Amount sanctioned		2,099,000
Amount availed		2,099,000
Sanction Date		10/5/2017
Rate of Interest		10.00%
Total No.of Instalments		60
No.of Instalments paid		18
No.of balance Instalments to be paid		42
Amount of Instalment		42 installment of ₹ 42765
Repayment Type		Monthly

Nature of Security

1. Term Loans from ICICI Bank and HDFC Bank is secured by Hypothecation of specific vehicles..
2. Personally guaranteed by two directors of the company..

Installments falling due in respect of all the above loans upto 31.03.2019 have been taken in "Other Financial liabilities" under the head "Current maturities of long term debts" (Refer note no.21)

(Amount in ₹)

Name of Shareholder	As at 31 March 2019	As at 31 March 2018
Note 18: NON-CURRENT PROVISIONS		
Provision for employee benefits		
Gratuity (unfunded)	2,060,593	1,485,967
Leave Encashment (unfunded)	26,800	19,600
Total	2,087,393	1,505,567

18.a :The Disclosures required under Accounting Standard 15" Employee Benefits notified in the Companies (Accounting Standards) Rules, 2006 are given below:

i) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Contribution to Defined Contribution Plan , recognised are charged off for the year are as under:-

	2018-2019
Employer's Contribution to Provident Fund	123,991

ii) Defined Benefit Plan

Leave Encashment: During the year 2018-19, the amount paid to employees as leave encashment is ₹ 26800.

Gratuity:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee.

The employee's gratuity scheme is non-fund based. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date.

I. Reconciliation of Opening and closing balances of Defined Benefit Obligation:

(Amount in ₹)

Particulars	Gratuity (Unfunded)	
	2018-2019	2017-2018
Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date.	2,204,402	1,086,744
Recognised in Statement of Profit and Loss		
Current Service Cost	637821	499,284
Past Service Cost	0	12,654
Interest Cost	144847	68,700
Recognised in Other Comprehensive Income -Actuarial (gains)/ losses on obligations		
Remeasurements - due to demographic assumptions		
Remeasurements - due to financial assumptions	14,378	(104,197)
Remeasurements - due to experience adjustments	(113,440)	641,217
Benefits paid	(155,775)	-
Settlement cost	-	-
<u>Defined Benefit obligation at year end</u>		
Current Liability	671640	718,435
Non-Current Liability	2060593	1,485,967

II. Net liability / (asset) recognised in the balance sheet

(Amount in ₹)

Particulars	Gratuity (Unfunded)	
	2018-2019	2017-2018
Present value of defined benefit obligation	2,732,233	2,204,402
Fair value of plan assets	0	0
Net liability / (asset)	2,732,233	2,204,402
Effect of asset ceiling / onerous liabilities	0	0
Liability / (asset) recognised in the balance sheet	2,732,233	2,204,402
Of which short term defined benefit obligation at end of the year	671,640	718435

III. Expense recognized during the year (under the head "Payments to and Provisions for Employees").

Particulars	Gratuity (Unfunded)	
	2018-2019	2017-2018
Current Service Cost	637,821	499,284
Past Service Cost	-	12,654
Interest Cost	144,847	68,700
Defined benefit cost included in Statement of profit and loss	782,668	580,638
Remeasurements of the net defined benefit plans-Actuarial (gains)/losses on obligations	(269,215)	641,217
Defined benefit cost included in Other Comprehensive Income	(269,215)	641,217
Total defined benefit recognized in Statement of profit & loss and Other Comprehensive Income	513,453	1,221,855

IV. Actuarial Assumption

Particulars	Gratuity (Unfunded)	
	2018-2019	2017-2018
Mortality Table (LIC)	LIC 1994-96 Mortality Table	LIC 1994-96 Mortality Table
Discount rate (per annum)	7.80%	7.85%
Rate of escalation in salary (per annum)	7.00%	7.00%

Sensitivity of the defined benefit obligation

The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	-5.02%	5.59%	-4.27%	4.73%
Rate of increase in salaries (50bps movement)	5.61%	-5.07%	4.74%	-4.32%

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The Company's philosophy is to not to externally fund these liabilities but instead create an accounting provisions in its books of accounts and pay the gratuity to its employees directly from its own resources as and when the employee leaves the Company.

The expected contribution payable to the plan next year is therefore Nil.

The expected maturity analysis of undiscounted gratuity is as follows:

(Amount in ₹)

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
31 March 2019	671,640	50,347	822,173	8,084,023	9,628,183
31 March 2018	718,435	36,723	178,501	5,795,429	6,729,088

The weighted average duration to the payment of these cash flows is 10.58 years (31 March 2018 : 8.98 years)

Note 19: BORROWINGS	As at 31.03.2019	As at 31.03.2018
Secured		
<u>Loans repayable on demand from banks:</u>		
Working Capital Loan	71,887,017	72,621,057
Loan from related parties	2,496,873	2,765,486
Nature of Security :		
1. The working capital loan from G.P. Parsik Bank is secured against hypothecation of stocks, book debts and Plant & Machinery of the company.		
2. Collaterally secured by simple mortgage of lands and buildings located at B-4 and B-5 MIDC industrial Area, Murbad, Dist. Thane		
3. Also personally guaranteed by 3 directors and CFO of the company .		
Total	74,383,889	75,386,543

Note 20: TRADE PAYABLES	As at 31.03.2019	As at 31.03.2018
Due to Micro and Small Enterprises *	-	-
Others	125,944,766	37,435,345
* Based on the information available with the company in response to the enquiries from all existing suppliers with whom the company deals, there are no suppliers who are registered as micro and small enterprises under ' The Micro, Small and Medium Enterprises Development Act, 2006' as at 31.03.2018		
Total	125,944,766	37,435,345

* Based on the information available with the company in response to the enquiries from all existing suppliers with whom the company deals, there are no suppliers who are registered as micro and small enterprises under ' The Micro, Small and Medium Enterprises Development Act, 2006' as at 31.03.2019

(Amount in ₹)

Note 21: OTHER FINANCIAL LIABILITIES	As at 31.03.2019	As at 31.03.2018
Current maturities of long-term debts (refer note no 17)	364,468	685,911
Security deposits	396,072	408,841
Other accrued expenses to others	776,718	704,488
Total	1,537,257	1,799,240

Note 22: OTHER CURRENT LIABILITIES		
Statutory Liabilities	2,503,946	949,620
Advance from Customers	867,936	717,495
Advance against sale of fixed assets	-	-
Total	3,371,882	1,667,115

Note 23: CURRENT PROVISION		
Provision for employee benefits	671,640	718,435
Total	671,640	718,435

Note 24: CURRENT TAX LIABILITIES (net)		
Provision for Taxation (net of taxes paid)	174,930	536,371
Provision for Tax	2,135,406	1,974,013
Less : Advance tax	1,960,476	1,437,642
Total	174,930	536,371

Particulars	2018-2019	2017-2018
Note 25: REVENUE FROM OPERATION		
Sale of Products :		
Fabrics:		
Grey Fabrics	37,640,815	59,594,994
Finished Fabrics	75,523,168	70,367,801
Goods traded in:		
Grey Fabrics	-	-
Finished Fabrics	225,453,785	194,973,725
	338,617,768	324,936,521
Sale of Services :		
Job charges	8,930,719	7,662,327
Other operating revenue		
Scrap Sale	-	32,544
Export incentives	-	83,978
Total	347,548,486	332,715,370

(Amount in ₹)

Particulars	2018-2019	2017-2018
Sales of goods geographical regions wise		
Local	328,759,907	316,750,789
Export	9,857,861	8,185,732
Reconciliation of revenue recognised with contract price:		
Contract price	347,561,219	334,796,347
Less: Discount	12,733	2,080,977
Revenue from operations	347,548,486	332,715,370

Note 26: OTHER INCOME		
Rent	858,156	115,521
Dividend	60,000	60,000
Profit on sale of fixed assets	-	9,623,687
Interest	2,780,523	1,144,308
Net foreign exchange loss(gain)	515,515	185,251
Provision for doubtful trade receivables	-	66,894
Total	4,214,194	11,195,661

Note 27: COST OF MATERIALS CONSUMED		
Yarn	49,961,243	56,756,583
Total	49,961,243	56,756,583

Note 28: PURCHASES OF STOCK IN TRADE		
Grey Fabrics	8,588,396	16,428,807
Finished Fabrics	225,036,556	195,253,237
Total	233,624,952	211,682,044

Note 29: CHANGES IN INVENTORIES		
Opening Stock:		
Finished Goods	82,733,106	80,680,574
Stock in process	6,199,200	3,248,700
Closing Stock:		
Finished Goods	107,195,455	82,733,106
Stock in process	3,175,200	6,199,200
Total	(21,438,349)	(5,003,032)

Note 30: EMPLOYEE BENEFIT EXPENSE		
Salaries and Wages	31,895,438	21,817,389
Contribution to Provident and Other Funds	933,459	723,895
Total	32,828,897	22,541,284

(Amount in ₹)

Note 31: FINANCE COST	2018-2019	2017-2018
Interest expense on		
Term Loans		
Working Capital Loans	7,192,538	7,145,516
Delayed payment interest	750	6,014
Others	2,809,650	2,496,012
Total	10,002,938	9,647,542

Note 32: OTHER EXPENSES		
A) Manufacturing Expenses		
Job charges	606,855	3,411,429
Weaving charges	4,126,833	-
Beam Making and mending charges	1,785,582	1,714,649
Dyeing charges	11,377,694	12,945,978
Packing charges	667,208	1,233,237
Warping charges	-	283,914
Power and fuel (refer note 37)	4,920,923	4,357,010
Water expenses	260,381	218,104
Lab Testing	105,980	-
Stores and spares consumed	2,745,410	2,635,577
Inward Transportation & Fright	928,382	695,666
Repairs and maintenance :		
Building	908,374	390,573
Machine	591,024	954,005
Others	626,251	280,458
Total- (A)	29,650,898	29,120,600
B) Administrative and General Expenses		
Printing and stationery	245,133	225,140
Postage, telegrams and telephones	177,493	182,649
Rent (refer note no. 37)	791,427	1,030,500
Rates and taxes	72,749	86,763
Insurance	146,894	146,968
Auditors remuneration (refer note no. 35)	100,000	100,000
Bank commission/charges	186,601	61,600
Security charges	502,800	495,000
Electricity expenses	313,491	176,482
Legal and professional charges	1,274,142	1,063,739

(Amount in ₹)

	2018-2019	2017-2018
Computer and software expenses	-	34,691
Donation	212,200	196,000
General Expenses	1,153,334	986,070
Listing fees	-	287,500
Provision for doubtful trade receivables	221,928	-
Loss on sale of fixed assets	48,995	-
Travelling and conveyance	2,188,126	1,360,794
Office expenses	1,362,560	1,008,742
Sundry balance written off	-	203,255
Total- (B)	8,997,872	7,645,893
C) Selling and Distribution Expenses		
Sales Promotion Expenses	1,203,766	2,120,700
Export expenses	-	77,425
Net foreign exchange loss(gain)	97,979	-
Transportaion & Fright	596,300	360,750
Brokerage and commission	710,014	250,831
Total- (C)	2,608,059	2,809,706
Total (A+B+C)	41,256,829	39,576,200

Note 33: Earning Per Equity Share	UNIT	2018-2019	2017-2018
Weighted average number of Equity Shares	Numbers	130631000	130,631,000
Nominal Value of a Share	₹	1	1
Profit/ (Loss) for the year	₹	1,587,311	(1,393,858)
Basic and Diluted Earning Per Share	₹	0.012	(0.011)

Note 34 : Contingent liabilities and commitments:**(a) Contingent liabilities not provided:**

	UNIT	2018-2019	2017-2018
(i) Penalty levied by SEBI for delay in submission of certain information to BSE	₹	170,000	170,000
(ii) Disputed income tax matters in appeal	₹	-	-
(iii) Undertaking given under EPCG Scheme for fullfilment of export obligation	₹ in lacs	150.85	150.85
(iv) Principal and Interest due on Electricity charges due to non - receipt of subsidy from MSEDCL of earlier years	₹	4,804,616	4,804,616

(b) Commitments:

(i) Uncalled money payable for residential flat to the developers	₹	1,422,500	1,422,500
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(Amount in ₹)

Note 35 :PAYMENT TO AUDITORS	2018-2019	2017-2018
Audit Fees	100,000	100,000
Tax Audit Fees	0	0
Taxation Matters	0	0
Certification	0	0
	100,000	100,000

Note 36 : The management is of view that as per Ind AS 36, no impairment loss is required to be recognised, as the present values of assets are higher than the carrying amount of such assets.

Note 37: Related Party Disclosure

Related party disclosures as required by Ind AS -24 " Related Party Disclosures" are given below :

(a) Key Management Personnel and their relatives :

Key Management

Shri Pradeep Kumar Sureka

Shri Narendra Kumar Sureka

Relatives

Smt. Geetadevi Sureka (Mother of Key management personnel)

Smt. Annapurnadevi Sureka (wife of Key management personnel)

Archit Sureka (Son of Key management personnel)

Urmiladevi Sureka (Wife of Key management personnel)

(b) Transactions during the year and balances outstanding as at year end with the related parties are as follows:

Particulars	Volume of the transaction(₹)		Balance as on (₹)	
	2018-2019	2017-2018	2018-2019	2017-2018
Remuneration /Payables				
Shri Pradeep Kumar Sureka	900,000	775,000	-	-
Shri Narendra Kumar Sureka	900,000	775,000	-	-
Rent paid /Payables				
Smt. Geetadevi Sureka	-	130,500	-	-
Smt. Annapurnadevi Sureka	350,000	-	14,130	-
Salary Paid				
Archit Sureka	665,000	420,000	70,000	35,000
Loan taken / (repayments made)/ Payables				
Shri Pradeep Kumar Sureka	4,990,985	8,235,245	1,358,176	2,147,209
	(5,780,018)	(8,149,400)		
Shri Narendra Kumar Sureka	1,714,982	1,944,240	1,138,697	618,277
	(1,194,562)	(1,456,234)		
Electricity Charges				
Shri Pradeep Kumar Sureka				
Shri Narendra Kumar Sureka				
	Refer note no.43			

Note:

1) Related party relationship is identified by the Company and relied upon by the auditors.

- 2) Figure in the brackets pertains to perious year.
- 3) Personal guarantee of the Narendra kumar Sureka, Pradeepkumar Sureka and Smt. Urmiladevi Sureka has been provided for the facilities sanctioned to the Company- Refer Note 19.

(Amount in ₹)

Compensation of Key management personnel	31.03.2019	31.03.2018
Short-term benefits	1,800,000	1,550,000
Post employment benefits *	-	-
	1,800,000	1,550,000

* Remuneration does not include gratuity as employee wise break up is not available.

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Note 38: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total borrowings less cash & cash equivalents, bank deposit (including earmarked balances) and current investments.

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

	2018-19	2017-18
Equity share capital	131,792,500	131,792,500
Other equity	(7,035,862)	(8,696,479)
Total Equity (A)	124,756,638	123,096,021
Non-current borrowings	1,184,320	1,400,076
Short term borrowings	74,383,889	75,386,543
Current maturities of long term borrowing	364,468	685,911
Gross Debt (B)	75,932,677	77,472,530
Total Capital (A+B)	200,689,315	200,568,551
Gross Debt as above	75,932,677	77,472,530
Less: Current investments	-	-
Less: Cash and cash equivalents	217,322	201,105.57
Less: Other balances with bank (including earmarked balances)	1,097,603	1,037,491
Net Debt (C)	74,617,752	76,233,933
Net debt to equity	0.60	0.62

Note 39: Financial Instruments and Risk Review**A). Financial Instruments****Fair value measurement hierarchy**

The fair value of financial instruments as below have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows

Level 1: Quoted prices (unadjusted) in active markets: This level of hierarchy includes financial assets or liabilities that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of mutual fund investments..

Level 2: Valuation techniques with observable inputs: This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Valuation techniques with significant unobservable inputs: This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following tables presents the carrying value and Fair value measurement hierarchy of each category of financial assets and liabilities.

(Amount in ₹)

	31.03.2019		31.03.2018	
	Carrying Amount	Level 1	Carrying Amount	Level 1
Financial Assets				
Financial assets measured at fair value through profit and loss				
Investments (refer note 5)	500,000	-	500,000	-
Financial assets measured at amortised cost				
Trade receivables	125,557,146	-	64,868,529	-
Cash and cash equivalents	217,322	-	201,106	-
Loans	621,165	-	621,165	-
Other financial assets	1,926,078	-	1,804,823	-
	128,321,711	-	67,495,622	-
Financial Liabilities				
Financial liabilities measured at amortised cost				
Borrowings	75,568,210	-	76,786,619	-
Trade payables	125,944,766	-	37,435,345	-
Other financial liabilities	1,537,257	-	1,799,240	-
	203,050,233	-	116,021,204	-

There have been no financial assets and financial liabilities which has been fair valued under level 1,2 and 3 categories therefore no details for the same given in the table above.

Valuation

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

- (i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.
- (ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

B). Financial Risk Management Framework

The Company's business activities are exposed to a variety of financial risks, namely credit risk, liquidity risk and market risk (currency risk and interest rate risk). The Company's management and the Board of Directors has the overall responsibility for establishing and governing the Company's risk management framework. The Board of Directors which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee and Board of Directors of the Company.

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Financial instruments that are subject to credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material credit risk.

Trade Receivable: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract.

Expected credit loss assessment

This Company makes provision for expected credit losses on trade receivable using provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting period.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(Amount in ₹)

Particulars	31 March 2019	31 March 2018
Balance as at beginning of the year	804,678	871,572
Impairment loss recognised	221,928	-
Provisions written-back during the year	-	(66,894)
Balance as at end of the year	1,026,606	804,678

Management believes that the unimpaired amounts that are past due by more than 365 days are fully collectible, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers credit ratings, of that are available.

Credit risk on cash and cash equivalents, other bank balances with bank is limited as the Company generally invest in deposits with banks. Investments primarily include investment in liquid mutual fund units.

The Company's maximum exposure to credit risk as at 31st March, 2019 and 31st March 2018 is the carrying value of each class of financial assets.

ii). Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation..

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities. Cash flows in foreign currencies are translated using the period end spot rates.

(Amount in ₹)

Particulars	31.03.2019			
	Carring Value	0-1 years	1-3 years	above 3 years
Borrowings	75932677	74780587	1152090	0
Trade payables	125944766	125944766	0	0
Other financial liabilities	1172790	1172790	0	0
Total	203050233	201898143	1152090	0

Particulars	31.03.2018			
	Carring Value	0-1 years	1-3 years	above 3 years
Borrowings	77472530	75923742	1298441	250347
Trade payables	37435345	37435345	0	0
Other financial liabilities	1113329	1113329	0	0
Total	116021204	114472416	1298441	250347

iii) Market Risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a). Currency Risk

The Company is subject to the risk that changes in foreign currency values impact the Company's exports revenue . As at 31st March, 2018, the net unhedged exposure to the Company on holding assets (trade receivables) other than in their functional currency is as under.

The Company is exposed to foreign exchange risk arising from US Dollar.

	As at 31.03.2019		As at 31.03.2018	
	US \$	Amount in ₹	US \$	Amount in ₹
Receivables	146,979	10,213,631	128,697	8,370,983
unhedged exposure	146,979	10,213,631	128,697.24	8,370,983

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net unhedged exposure

(Amount in ₹)

	31.03.2019	31.03.2018
1% Depreciation in INR		
Impact on Statement of profit and loss	102,136	83,710
1% Appreciation in INR		
Impact on Statement of profit and loss	(102,136)	(83,710)

b). Interest Rate Risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to borrowing obligations.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows

	31.03.2019	31.03.2018
Long term borrowing-fixed rate instruments	1,548,788	2,085,987
Short term borrowing-floating rate instruments	71,887,017	72,621,057
	73,435,805	74,707,044

Impact on Interest Expenses for the year on 1% change in Interest rate

	31.03.2019	31.03.2018
1% Increase in interest rates		
Impact on Statement of profit and loss	(718,870)	(726,211)
1% Decrease in interest rates		
Impact on Statement of profit and loss	718,870	726,211

Note 40 :

The company operates in a single segment i.e. textile having the same risk and return. Hence reporting as per Indian Accounting Standard (Ind AS) 108 "Operating Segments" is not applicable.

Note 41: Leases :

The company has taken industrial gala under operating lease or on leave and license basis. These are generally not non-cancellable and for a period ranging between 12 months and above and is renewable at mutual consent on mutually agreeable terms. The company has given refundable interest free security deposit in accordance with the agreed terms. The rent paid in accordance with these agreement is debited to the statement of profit and loss for the year.

The company has given industrial gala under operating lease or on leave and license basis. These is generally not non-cancellable and for a period ranging between 12 months and above and is renewable at mutual consent on mutually agreeable terms. The company has taken refundable interest free security deposit in accordance with the agreed terms. The rent received in accordance with these agreement is credited to the statement of profit and loss for the year.

Note 42: Income Tax Matters

The income tax assessments of the company have been completed upto assessment Year 2016-2017.

Note 43: During an earlier year , a Memorandum of Understanding (MOU) was entered between the company and its two directors. As per the terms of MOU , the company will use the power supplied by the meters standing in the name of such directors and makes payment of electricity bills directly to the power supply company.

Note 44: Disclosure under section 186(4) of the Companies Act, 2013

The required details of the investments made during the year and investments outstanding as on 31.03.2019 are given in note 5 to the financial statements.

Note 45: The Company has reclassified previous year figures to conform to this year's classification.

As set out in our attached report of even date

For MEHTA KOTHARI & ASSOCIATES

For and on behalf of the Board of
Directors

Chartered Accountants

(Firm Registration no. 106247W)

Narendra Kumar Sureka

Chairman and Managing Director
DIN 01963265

Pradeep Kumar Sureka

Whole Time Director
DIN 01632706

Pradip Mehta

Partner
Membership no. 035447

Archit Sureka

Chief Financial Officer

Mamta Jain

Company Secretary

Mumbai, 30th May' 2019

Mumbai, 30th May'2019

TUNI TEXTILE MILLS LIMITED**CIN: L17120MH1987PLC043996**Regd. Office : 63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400 002

Tel : +91 22 2201 4577, Email : info@tunitextiles.com; Website : www.tunitextiles.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L17120MH1987PLC043996
Name of the Company	:	TUNI TEXTILE MILLS LIMITED
Registered Office	:	63/71, Dadiseth Agiary Lane, 3 rd Floor, Kalbadevi Road, Mumbai-400 002

Name of the member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

I/We being the members of _____ Shares of Tuni Textile Mills Limited, hereby appoint -

1. _____ having email Id _____ Signature _____ or failing him
2. _____ having email Id _____ Signature _____ or failing him
3. _____ having email Id _____ Signature _____ or failing him

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on Friday, 27th September 2019 at 3.30 P.M. at Hotel Golden Chariot, Viral Apartment, Opp. Shopper's Stop, S. V. Road, Andheri West, Mumbai, Maharashtra 400058 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

Ordinary Business :		For	Against
1	Adoption of Standalone Financial Statements for the year ended March 31, 2019		
2	Re-appointment of Mr. Pradeep Kr. Sureka (DIN: 01632706) as Non-Executive, Non-Independent Director		
3	Appointment of M/s. DBS & Associates, Chartered Accountants, Mumbai (FRN – 018627N) as Statutory Auditors of the Company		
Special Business :			
4.	Re-appointment of Mr. Pramod Kr. Bajaj (DIN: 01438374) as an Independent Director		

Signed on this day of _____ 2019

Signature of shareholder: _____ Signature across

Signature of Proxy Holder(s) : _____ Revenue Stamp

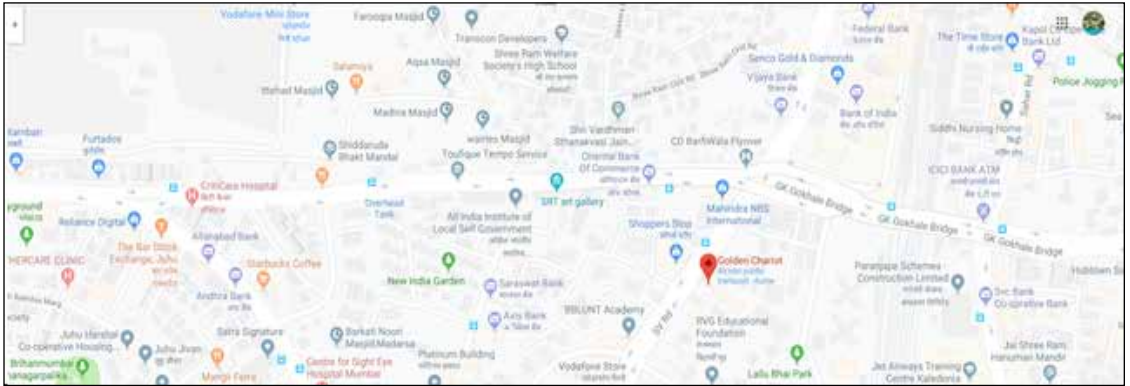
Affix ₹ 1 Revenue Stamp

Note:

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 32nd Annual General Meeting.
3. Optional. Please put a '✓' in the appropriate column against the resolutions indicated in the box.
4. Please complete all details including details of member(s) in above box before submission.

Route Map

Location Plan of Venue of Annual General Meeting of M/s. Tuni Textile Mills Limited



TUNI TEXTILE MILLS LIMITED**CIN: L17120MH1987PLC043996**Regd. Office : 63/71, Dadiseth Agiary Lane, 3rd Floor, Kalbadevi Road, Mumbai-400 002

Tel : +91 22 2201 4577, Email : info@tunitextiles.com; Website : www.tunitextiles.com

ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend the meeting

D P ID*	L F No.
Client ID*	No. of Shares held

I / We hereby record my / our presence at the 32nd Annual General Meeting of the Company being held on Friday, 27th September 2019 at 3.30 P.M. at Hotel Golden Chariot, Viral Apartment, Opp. Shopper's Stop, S. V. Road, Andheri West, Mumbai, Maharashtra 400058.

Signature of Shareholder(s) 1. _____ 2. _____ 3. _____

Signature of the Proxyholder _____

* Applicable for investors holding shares in electronic form.

Note: Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue. For route map of meeting venue, please see overleaf.

Please hand it over at the Attendance Verification Counter at the Entrance of the Meeting Venue**PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING****ELECTRONIC VOTING PARTICULARS**

(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No. as under	(4) Bank Account No.
			(See Note No.1)

Notes:

- Where Bank Account Number is not registered with the Depositories or Company, please enter your User Id as mentioned in column (2) above.
- Please read the Instructions printed under the Item No. 33-34 of the Notice dated 30th May 2019 of the 32nd Annual General Meeting. The e-Voting period starts from 9.00 A.M. on 24.09.2019 and ends at 5.00 P.M. on 26.09.2019, the e-voting module shall be disabled by NSDL for voting thereafter.

If undelivered please return to :
TUNI TEXTILE MILLS LIMITED
63/71, Dadiseth Agiyari Lane, 3rd Floor, Mumbai-400 002.