



AMBANI ORGANICS LIMITED

(Formerly known as AMBANI ORGANICS Pvt. Ltd.)

Office : 801, 8th Floor, "351-ICON", Next to Natraj Rustomji, W. E. Highway,
Andheri (East), Mumbai - 400 069. Website : www.ambaniorganics.com •

Email : ambaniorganics@rediffmail.com / info@ambaniorganics.com •

Telefax : +91 22 2683 3778 / 2682 7541 / 2682 2027 / 2682 2028 / 93237 94560

September 5, 2020

To,
The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051

Sub: Submission of Annual Report for the financial year 2019-20 and Notice of 34th Annual General Meeting

Trading Symbol: **AMBANIORG**

Dear Sir/Mam,

In compliance with the Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the financial year 2019-20 along with the Notice of 34th Annual General Meeting of the Company which will be circulated to the shareholder through electronic mode. The 34th AGM will be held on Monday, 28th September, 2020 at 1.00 p.m. through Video conference and other Audio visual means (VC/OAVM).

The said Annual Report along with the Notice of 34th Annual General Meeting is also uploaded on the Company's website at www.ambaniorganics.com

Information at the Glance:

Date and Time of AGM	Monday, 28 th September, 2020 at 1.00 p.m.
Mode	Video conference and other Audio visual means

Kindly take the same on records.

Thanking You,
Yours Faithfully,
For Ambani Organics Limited

Apooni Rakesh Shah
Wholetime Director
(Din: 00503116)

Encl: As above

CIN: L24220MH1985PLC036774

Reg Office: N 44 MIDC TARAPIURBOISAR THANE MH 401506



AMBANI ORGANICS LIMITED
ANNUAL REPORT
2019-2020

CORPORATE INFORMATION

Board of Directors and Key Managerial Personnel:

Apooni Rakesh Shah (DIN: 00503116)	Chairman & Whole time Director
Rakesh Hasmukhlal Shah (DIN: 00503074)	Managing Director
Sharad P Kothari (DIN: 08029922)	Non-Executive Director
Sanjay Natwarlal Mehta (DIN: 08100745)	Independent Director
Prakash Anna Mahanwar (DIN: 08100755)	Independent Director
Dilipkumar Mehta (DIN : 08122334)	Non-Executive Director
Paresh Harsuklal Shah	CEO (KMP)
Bhavesb Babulal Pandya	CFO (KMP)
Vaijanti Vinod Sawant	Company Secretary and Compliance Officer (resigned w.e.f. 11 th March, 2020)
Richa Chokhani	Company Secretary and Compliance Officer (appointed w.e.f. 16 th March, 2020)

OTHER INFORMATION

Registered Office: N 44 MIDC Tarapur, Boisar Thane 401506

Corporate Office: 801, 8th Floor, "351-ICON", Next to Natraj Rustomji, W.E. Highway, Andheri (East), Mumbai-400069, India.

Tel/Fax: 022 26833778/26827541/ 26822027/2028

Web: www.ambaniorganics.com

E-Mail id: investors@ambaniorganics.com / info@ambaniorganics.com

Secretarial Auditor:

Mayank Arora & Co.
Company Secretaries
Office no. 268, 2nd Floor,
Udyog Bhavan, Sonawala Road,
Goregaon (East), Mumbai - 400 063.
M: +91-9324254455
L: 022-49735566
Email Id: cs@mayankarora.co.in
Website: www.mayankarora.co.in

Listing:

National Stock Exchange of India Ltd
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051
Listed w.e.f. 18.07.2018

Banker:

Union Bank of India, Mumbai

Statutory Auditors:

M/s. Shambhu Gupta & Co
Chartered Accountants,
512-513, Manish Chamber,
Opp Hotel Karan Palace,
Sanawala Road, Goregaon (East),
Mumbai- 400063, Maharashtra
Tel No.: 022-42661638/40214937
Email id: shambhu.gupta@gmail.com
Contact Person: Partner CA Rajkumar Khatod

Registrar & Transfer Agent:

Universal Capital Securities Pvt Ltd.
21, Shakil Niwas, Opp. Satya Saibaba Temple
Mahakali Caves Road, Andheri (East),
Mumbai - 93
T:+91 (22) 2820 7203-05 / 2825 7641
F: +91 22 2820 7207
Website: www.unisec.in

Contact Details for Investors:

801, 8th Floor, "351-ICON", Next to Natraj Rustomji, W.E.Highway, Andheri (East), Mumbai-400069, India.

Tel/Fax: 022 26827541/ 26822027/2028

Web: www.ambaniorganics.com

E-Mail id: investors@ambaniorganics.com / info@ambaniorganics.com

LETTER TO SHAREHOLDERS

Dear Shareholders,

I Rakesh Hasmukhlal Shah (Managing Director), heartily welcome you all, having joined **AMBANI ORGANICS LIMITED** family with your participation in our maiden public offer. It is my desire and wish that this association of ours, will strengthen our hands in to reach glorious heights.

We are fortunate and humbled by the response received for the Initial Public Offering (IPO) of the shares of Ambani Organics Limited, which was listed in the financial year 2018-19 on 18th July, 2018 on NSE EMERGE SME Platform.

The support given to the IPO was very heart warming and I would like to thank all our investors for showing confidence and trust in management capabilities of Ambani Organics Limited.



AMBANI ORGANICS LIMITED

CIN: L24220MH1985PLC036774

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NOTICE

Notice is hereby given that 34th Annual General Meeting of the members of **Ambani Organics Limited** will be held on Monday, 28th September, 2020 at 01:00 p.m. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively, to transact the following businesses :-

ORDINARY BUSINESS:

1. Adoption of Financial Statement

To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.

2. Re- appointment of Mr. Dilipkumar Vikamchand Mehta (DIN: 08122334) as a Director liable to retire by rotation

To appoint a director in place of Mr. Dilipkumar Vikamchand Mehta (DIN: 08122334) the Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

Date: 05/09/2020

Place: Mumbai

For Ambani Organics Limited

Sd/-

Rakesh Shah

Managing Director

(DIN: 00503074)

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 34th AGM of the Company is being conducted through VC / OAVM, which does not require physical presence of members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC / OAVM.
2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. The facility for appointment of proxies will not be available for the AGM and hence the Proxy form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes..
3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located N 44 MIDC Tarapur, Boisar Thane-401506, which shall be the deemed venue of AGM.
4. The instructions for participation by Members are given in the subsequent paragraphs.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 500 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The presence of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. Members may note that the details of the Director seeking re-appointment as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) forms an integral part of the notice. Requisite declarations have been received from the Director for seeking his / her re-appointment.
9. Relevant documents and registers will be available for inspection by the members at the Registered Office of the Company on the date of AGM.
10. In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote.
11. Due to non-availability of postal and courier services, on account of threat posed by COVID-19 pandemic situation, the Company is sending Notice in electronic form only and express its inability to dispatch hard copy of Notice to the shareholders. To facilitate such shareholders to receive this notice electronically in terms of the General Circular No. 17/2020 issued by Ministry of Corporate Affairs dated April 13, 2020, the members who have not registered their email addresses with the company can get the same registered with the company by sending their email addresses with their full name, Folio no. and holdings at investors@ambaniorganics.com.

Post successful registration of the email, the shareholder would get soft copy of the notice. In case of any queries, shareholder may write to investors@ambaniorganics.com. Members may note that this Notice will also be available on the Company's website i.e. www.ambaniorganics.com

12. The Corporate Members intending to send their authorized representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the AGM.
13. The register of members and transfer books of the company shall remain closed from Monday, 21st September, 2020 to Monday, 28th September, 2020 (both days inclusive) for this Annual General Meeting and for determining the names of members eligible for dividend on Equity Shares, if declared at a meeting.
14. The Annual Report of the Company, circulated to the Members of the Company will also be made available on the Company's website at www.ambaniorganics.com
15. In compliance with Section 108 of the companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and regulation 44 of the Listing Regulation, the company is not providing e-voting facility as SME listed company is not required to provide e-voting facility to its Shareholders.

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

1. Members may access the platform to attend the AGM through VC by using the credentials attached with the Notice.
2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such scheduled time.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.

Detail of Director Seeking re-appointment at the 34th Annual General Meeting of the Company.

Name of Director	Mr. Dilipkumar Vikamchand Mehta
DIN	08122334
Nationality	Indian
Date of Appointment	28/04/2018
Expertise in Specific Functional Area	Experience in domestic marketing
Qualifications	B.Sc.
Listed Companies in which he holds directorship and the Board Committee membership/chairpersonship	NIL
Number of shares held in the company	NIL
Disclosure of relationships between directors inter-se	Mr. Dilipkumar Vikamchand Firm name Vikson Polymers is Client of Ambani Organics Ltd.

Save and except Mr. Dilipkumar Vikamchand Mehta and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the Directors of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the notice.

Mr. Dilipkumar Vikamchand Mehta is not debarred from holding the Office of Director by virtue of any SEBI order or any other such authority.

By order of the Board

Date: 05/09/2020

For Ambani Organics Limited

Place: Mumbai

Sd/-
Rakesh Shah
Managing Director
(DIN: 00503074)

BOARD OF DIRECTOR'S REPORT

To,
The Members,
AMBANI ORGANICS LIMITED

The Board of Directors of your Company take pleasure in presenting the standalone and consolidated reports on the operational and business performance, along with the audited financial statements for the financial year ended March 31, 2020.

KEY FINANCIALS:

The financial performance of the Company for the financial year ended March 31, 2020, is summarized below:

Particulars	Standalone		Consolidated	
	2019-20 (Rs.)	2018-19 (Rs.)	2019-20 (Rs.)	2018-19 (Rs.)
Revenue from Operations (Net of Excise) and Other Income	733,805,750	799,110,675	733,805,750	801,574,521
Other Expenses excluding finance cost and depreciation	678,875,106	739,587,412	677,762,380	742,321,024
Finance Charges	23,643,152	24,894,824	23,647,844	24,894,826
Depreciation	7,803,002	6,303,802	8,216,865	6,749,414
Profit before exceptional items and Tax	23,484,490	28,324,637	24,178,660	27,609,256
Exceptional Items	1,313,033	3,602,661	1,313,033	3,602,661
Profit before Tax	22,171,457	24,721,976	22,865,627	24,006,595
Provision for Tax:				
• Current tax	3,700,860	5,089,464	3,808,647	5,089,464
• MAT Credit entitlement	2,031,659	(5,089,464)	1,923,872	(5,089,464)
• Tax adjustment of earlier year	-	-	-	-
• Deferred tax	(1,276,179)	(6,618,832)	3,299,934	6,739,836
Profit before Minority Interest	-	-	13,833,175	17,266,759
Minority Interest	-	-	1,293	-
Net Profit After Tax	15,162,760	18,103,145	13,831,882	17,266,759
Profit carried to Balance Sheet	15,162,760	18,103,145	13,831,882	17,266,759

1. FINANCIAL HIGHLIGHTS

Standalone:

During the year under review, the sales and other income decreased from Rs. 799,110,675/- to Rs. 733,805,750 /- as compared to previous year. The Net Profit after tax stood at Rs.15, 162,760 /- as against profit of Rs. 18,103,145 /- in the previous year.

Consolidated:

During the year under review, the sales and other income decreased from Rs. 801,574,521/- to Rs. 733,805,750/- as compared to previous year. The Net Profit after tax stood at Rs. 13,831,882/- as against profit of Rs. 17,266,759/- in the previous year.

2. CAPITAL STRUCTURE

The Authorized Share Capital of the Company is Rs. 70,000,000/- (Rupees Seven Crores) divided into 7,000,000 (Seventy Lakhs) Equity shares of Rs. 10/- each.

The paid up Equity Share Capital as at March 31, 2020 stood at Rs. 50,786,590/- (Rupees Five Crore Seventy Lakhs Eighty Six Thousand Five Hundred and Ninety).

3. INITIAL PUBLIC OFFER AND LISTING OF SHARES

The Company has received the trading approval for total 50, 78,659 Equity Shares on SME Platform of NSE Limited with effect from 18th July, 2018 having the symbol “**AMBANIORG**”.

The Company confirms that the annual listing fee to NSE Limited for the financial year 2019-20 has been paid.

4. DIVIDEND

In order to preserve funds for future business endeavors, your directors do not recommend any dividend.

5. PUBLIC DEPOSIT

Your Company did not raise any public deposit during the year. There was no public outstanding as at the beginning or end of the year ended on 31st March, 2020.

6. CHANGES IN NATURE OF BUSINESS

There is no significant change made in the nature of the company during the financial year.

7. IMPACT OF NOVEL COVID-19 PANDEMIC

Due to novel COVID-19 outbreak, the Maharashtra Government announced lockdown in four cities of Maharashtra i.e. Mumbai, Pune, Nagpur and Pimpri Chinchwad from the midnight of March 20, 2020 till March 31, 2020. The Government of India announced a nationwide lockdown of 21 days with effect from March 25, 2020, which got extended from time to time to combat the spread of the COVID-19 virus. In compliance with various directives issued by the State / Central authorities, your Company suspended the some operations at the Office and shut the offices with a view to safeguard the risks to the health of the employees of the Company.

8. SECRETARIAL STANDARD OF ICSI

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards (SS) i.e., SS-1 and SS- 2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively.

9. IMPLEMENTATION OF CORPORATE ACTION

During the year under review, the Company has not failed to implement any Corporate Actions within the specified time limit.

10. INDUSTRIAL RELATIONS:

During the year under review, your Company enjoyed cordial relationship with the workers and employees at all levels.

11. NAME OF THE COMPANIES, WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company has two Subsidiary Companies i.e. Omega Woven Mills Private Limited and Om Maruti Glasswool & Wirenetting Products Private Limited. However, the Company does not have any Joint Venture and Associate Company.

Performances of Subsidiaries are as follows:

The Total revenue of Omega Woven Mills Private Limited stood at Rs. 6,00,000/- (Previous year Rs. 6,00,000/-) and Net Profit for the year stood at Rs. 2,58,631/- (Previous year Loss Rs. 155,409/-)

The total revenue Om Maruti Glasswool & Wirenetting Products Private Limited stood at Rs. 6,00,000/- (Previous year Rs. 6,02,394/-). and Net loss for the year stood at Rs. 15,88,218/- (Previous year Net Profit Rs. 6,80,976/-)

The details of the same are given in Form AOC-1 as “Annexure A” forming part of Annual Report. The details of the Policy on determining Material Subsidiary of the Company is available on Company’s website.

12. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. These levels form the strategic defence cover of the Company’s risk management. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company.

13. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company on various activities also puts necessary internal control systems in place to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

14. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm’s length basis and were in the ordinary course of business. Particulars of contract or arrangements with related parties is annexed herewith in Form AOC 2 as “Annexure - B”. In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is available on Company’s website.

15. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There were no significant and material orders passed by any Regulators or Court or Tribunal which would impact the going concern status of the Company and its future operations.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details relating to loans or guarantees or investments covered under the provisions of section 186 of the Companies Act, 2013 during the Financial Year 2019-20 forms part of the Financial Statement.

17. TRANSFER TO RESERVES

During the financial year 2019-20 under review, the Company does not propose to transfer any amount to General Reserve.

18. DIRECTORS

Retire by Rotation- Dilipkumar Mehta

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Dilipkumar Mehta, Director (DIN: 08122334) of the company is liable to retire by rotation in the 34th Annual General Meeting and being eligible, he offer himself for re-appointment.

Change in Directors and Key Managerial Personnel

During the Year, Ms. Richa Chokanhi (PAN No.: AUYP9212G), appointed as Company Secretary and Compliance Officer w.e.f. 16th March, 2020 and Ms. Vaijanti Sawant resigned from the post of Company Secretary and Compliance Officer w.e.f. 11th March, 2020.

19. DECLARATION BY THE COMPANY

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164(2) of the Act read with Rule 14 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

20. KEY MANAGERIAL PERSONNEL

Pursuant to the Section 2(51) and provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel (KMP) of the Company as on 31st March, 2020 are as follows:

- Mr. Rakesh Hasmukhlal Shah (DIN: 00503074), Managing Director of the Company.
- Mr. Paresh Harsukhlal Shah, Chief Executive Officer (CEO) of the Company .
- Mr. Bhavesh Babulal Pandya, Chief Financial Officer (CFO) of the Company .
- Ms. Richa Chokhani, Company Secretary & Compliance Officer of the Company.

a. Declaration by Independent Directors:

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Director in terms of Section 164 (2) of the Companies Act, 2013.

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 as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

At the time of appointment of an Independent Director, the Company issued a formal letter of appointment outlining his / her role, function,

duties and responsibilities as a director. The formal letter of appointment is hosted on the website of the Company.

b. Familiarization programmer for Independent Director:

The Company proactively keeps its Directors informed of the activities of the Company, it's Management and operations and provides an overall industry perspective as well as issues being faced by the industry.

21. BOARD EVALUATION

Pursuant to the Provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the performance evaluation of the chairman and non -Independent Directors was carried out by the Independent Directors in their separate Meeting who also reviewed the performance of the Board as whole.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure for the performance evaluation of the Board of Directors.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and Composition, effectiveness of Board process, information and functioning.

The Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meeting and guidance /support to the Management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement of all Board Members.

Evaluation of Independent Directors was done by the entire Board, excluding the director being evaluated.

22. MEETING OF BOARD OF DIRECTORS

A) Number of Board Meetings in the year (FY 2019- 20)

The Board met 5 times during the financial year 2019-20 on 25/05/2019, 27/08/2019, 13/11/2019, 13/02/2020, 16/03/2020; the intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

B) Attendance of Directors at Board meetings held during the year:

Sr. No.	Name of Director	Category of Director	No. of Board Meetings attended	Attendance at the last AGM
1	Rakesh Hashmukhlal Shah (DIN: 00503074)	Managing Director	5	Yes
2	Apooni Rakesh Shah	Whole time	5	Yes

	(DIN: 00503116)	Director		
3	Sharad P Kothari (DIN: 08029922)	Executive Director	5	Yes
4	Sanjay Natwarlal Mehta (DIN: 08100745)	Independent Director	5	Yes
5	Prakash Anna Mahanwar (DIN: 08100755)	Independent Director	5	Yes
6	Dilipkumar Mehta (DIN: 08122334)	Director	5	Yes

23. COMMITTEES OF THE BOARD:

There are currently three committees of the Board which are as follows:

- a. Audit Committee
- b. Nomination & Remuneration Committee
- c. Stakeholder's Relationship Committee

The Composition of the committees and relative compliances, are in line with the applicable provisions of the Companies Act, 2013 read with Rules and Listing Regulations. Details of term of reference of the Committees, Committees' Membership and attendance at Meetings of the Committees are provided as follows:

a. Audit Committee;

The Composition and quorum of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013. All members of the Audit Committee possess financial/accounting expertise/exposure.

The Audit committee met Four (4) times during the Financial Year 2019-20. The Committee met on 25/05/2019, 27/08/2019, 13/11/2019 and 13/02/2020. The Necessary quorum was present for all Meetings. The table below provides composition and attendance of the Audit Committee.

SR NO.	NAME	CATEGORY	MEETINGS ATTENDED
1	Mr. Sanjay Natwarlal Mehta	Chairman & Independent Non-Executive Director	4 of 4
2	Mr. Rakesh Hashmukhlal Shah	Managing Director	4 of 4
3	Mr. Prakash Anna Mahanwar	Independent Non-Executive Director	4 of 4

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial

reporting and its Compliances with the legal and regulatory requirements. The committee oversees the work carried out in the financial reporting process by the Management and the Statutory Auditors and, note the process and safeguards employed by each of them.

Term of reference:

The term of reference, role, powers, rights, authority and obligations of the Audit Committee are in conformity with the applicable provisions of the Companies Act, 2013 and Listing Obligation Requirements (including any statutory modification(s) or re-enactment or amendment thereof.

b. Nomination & Remuneration Committee;

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. This policy also lays down criteria for selection and appointment of Board Members. The Nomination & Remuneration committee met One (1) times during the Financial Year 2019-20. The Committee met 16/03/2020. A brief detail of the policy is posted on the website of the Company i.e. www.ambaniorganics.com. The table below provides composition and attendance of the Nomination and Remuneration Committee.

SR NO.	NAME	CATEGORY	MEETINGS ATTENDED
1	Prakash Anna Mahanwar	Chairman & Independent Non-Executive Director	1 of 1
2	Sanjay Natwarlal Mehta	Independent Non-Executive Director	1 of 1
3	Sharad Kothari	Non-Executive Director	1 of 1

c. Stakeholders Relationship Committee;

The Board has reconstituted Shareholders'/Investors Grievance Committee as Stakeholders Relationship Committee in accordance with the provisions of the Companies Act, 2013.

The Stakeholders Relationship Committee met Four (4) times during the Financial Year 2019-20. The Committee met on 25/05/2019, 27/08/2019, 13/11/2019 and 13/02/2020. The necessary quorum was present for all Meetings. The table below provides composition and attendance of the Stakeholders Relationship Committee.

SR NO.	NAME	CATEGORY	MEETINGS ATTENDED
1	Mr. Sharad Kothari	Chairman & Non-Executive Director	4 of 4
2	Mrs. Apooni Shah	Director	4 of 4
3	Mr. Rakesh Shah	Director	4 of 4

24. MEETING OF MEMBERS

During the year, 33rd Annual General Meeting of the Company was held on 28th September, 2019.

25. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company was originally incorporated as a private company. Subsequently after its conversion from private to public company vide MCA Approval dated 7th March, 2018 the name of the company was changed to Ambani Organics Limited.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

(a) Conservation of energy

(i)	the effort made towards technology absorption	Nil
(ii)	the benefits derived like product improvement cost reduction product development or import substitution	Nil Nil
(iii)	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	
	(a) the details of technology imported	
(iv)	(b) the year of import;	Nil
	whether the technology been fully absorbed;	
	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	
	the expenditure incurred on Research and Development	
(i)	the effort made towards technology absorption	Nil

(b) Technology absorption

(i)	the steps taken or impact on conservation of energy	Company's operation does not consume significant amount of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy.	Not applicable, in view of comments in clause (i)
(iii)	the capital investment on energy conservation equipment's	Not applicable, in view of comments in clause (i)

(c) Foreign Exchange earnings and outgo

Expenditure in Foreign Currency- 7,46,398/-

Earnings in Foreign Exchange- Rs. 11,29,38,127/-

27. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Sub- Section (3) of Section 92 of the Companies Act, 2013, is included in this Report as "Annexure-C" and forms an integral part of this Report. The Annual Return as referred in Section 134(3)(a) of the Companies Act, 2013 for the financial year ended March 31, 2020 shall be placed on the website of the Company at www.ambaniorganics.com.

28. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of the Section 134(3) (c) of the Companies Act, 2013.

- (i) That in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That such accounting policies, as mentioned in the Financial Statements as 'Significant Accounting Policies' have been selected and applied consistently and judgments and estimates have been made 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, 2020 and of the profit of the Company for the year ended on that date;
- (iii) That proper and sufficient care has been taken 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;
- (iv) That the annual financial statements have been prepared on a going concern basis;
- (v) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vi) Those proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

29. SHARE TRANSFER SYSTEM

All share transfer, dematerialization and related work is managed by Universal Capital Securities Pvt. Ltd, 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mahakali Caves Road, Andheri (East),. Shareholders are requested to send all share transfer requests, demat/remat requests, correspondence relating to shares i.e. change of address, Power of Attorney, etc. to the registrar and transfer agents.

30. SHARE CAPITAL AUDIT

As stipulated by Securities and Exchange Board of India (SEBI), Mr. Mayank Arora, Proprietor of M/s. Mayank Arora & Co., Practicing Company Secretaries carried out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and shares held physically as per the register of members and the total issued and listed capital.

31. INVESTORS CORRESPONDENCE

Universal Capital Securities Pvt. Ltd.
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East),
Mahakali Caves Road, Andheri (East),
Tel No: +91 (22) 2820 7203-05 / 2825 7641
Fax No: +91 22 2820 7207
Email-id: rajeshg@unisec.in
Website: www.unisec.in

32. AUDITORS

(a) Statutory Auditors

Pursuant to Section 139(2) of the Companies Act, 2013 read with rule 6 of Companies (Audit and Auditors) Rules, 2014, M/s Shambhu Gupta & Co., Chartered Accountants Statutory Auditors of the Company, having Firm Registration No. 007234C Statutory Auditors of the Company, were appointed for a term of Five years from the previous 32nd Annual General Meeting of the Company, till the conclusion of the 5th consecutive Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting at a remuneration decided by the Board of Directors of the Company. Accordingly, the current term of appointment of M/s Shambhu Gupta & Co., Chartered Accountants, will expire on conclusion of 36th Annual General Meeting of the Company.

The Company has received consent letter and eligibility certificate under Sections 139 and 141 of the Act wherein M/s. Shambhu Gupta & Co., Chartered Accountants have confirmed that their appointments, if made would be in accordance with the provisions of

the Section 141 Companies Act, 2013 and that they are not disqualified from being re-appointment. As required under Regulation 33 of LODR Regulations they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Pursuant to Section 40 of Companies Amendment Act 2017, the requirement of ratification of the appointment of the Auditors by the Members at every AGM is not required and hence in the ensuing AGM, ratification of appointment of Statutory Auditors is not sought.

Statutory Auditor's Report

The Statutory Auditor's report dated July 17, 2020 on the financial statements of the Company for FY 2019-20 is unmodified and does not have any reservations, qualifications or adverse remarks.

Details in respect of frauds reported by auditors

No fraud has been reported by the Auditors to the Audit Committee or the Board.

(b) Internal Auditor

The provision of Section 138 of The Companies Act, 2013 is now applicable to company and company has appointed M/s. Kavita Birla & Co., Chartered Accountants, to carry out internal Audit for the financial year 2019-20 based on the recommendation of the Audit Committee.

(c) Secretarial Auditor

Pursuant to provision of section 204 of The Companies Act, 2013 and rules made thereunder, M/s. Mayank Arora & Co., Company Secretaries has been appointed as Secretarial Auditor of the company for the Financial Year 2019-20 in the Board of Director held on 25th May, 2019. A Secretarial Auditor Report in Form MR-3 given by Mayank Arora & Company for the Financial Year ended on 31st March, 2020 has been provided in "Annexure D" which forms parts of this Director's Report.

33. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

34. DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE COMPANIES ACT 2013, OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

35. DISCLOSURE OF EMPLOYEES REMUNERATION

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees who are employed throughout the financial year was in receipt of remuneration for that year of not less than One Crore and Two Lakh Rupees and if employed for a part of the financial year was in receipt of remuneration for any part of that year of not less than Eight Lakh and Fifty Thousand Rupees per month to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of the prescribed limit during the financial year 2019-20. The information required under section 197 of the act read with Rule 5(1) of the companies (Appointment and Remuneration) Rules, 2014 is annexed as “Annexure E” and forms a part of this report.

36. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the Section 135 of Companies Act, 2013 all companies having Net Worth of Rs. 500 cr or more, or Turnover of Rs. 1,000 core or more, or Net Profit of Rs. 5 core or more during any financial year required to constitute a Corporate Social Responsibility Committee of the Board of Directors comprising of three or more directors, at least one of whom should be an independent director and such Company shall spend at least 2% of the average net profits of the Company's three immediately preceding financial year.

Accordingly, the Company formed a CSR Committee. During the current financial year, the provisions of Section 135 of Companies Act, 2013 is not applicable to the Company, therefore; it is not required to pay 2% of the average net profits of the Company for the current Financial Year.

The Policy outlines the Company's philosophy as a responsible corporate citizen of India. It also lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community, in the local area and around areas of operations of the Company including other parts of the Country. CSR programs or projects to be undertaken by the Company in terms of the Policy, shall relate to one or more activities listed in Schedule VII of the Companies Act, 2013, at present or as may be amended from time to time. The Corporate Social Responsibility Policy is available on the website of the Company.

37. GOODS & SERVICE TAX REGISTRATION

Goods & Service Tax ("GST"), which is a comprehensive indirect tax reform is introduced in India w.e.f. 1st July, 2017 and was applicable throughout India which replaced multiple cascading taxes levied by the Central and State Governments. Hence, your Company has also got registered under the same for trading of Paint & Paper Binder. GST registration number of the Company and primary address are as under:

<i>LOCATION OF PRIMARY PLACE OF BUSINESS</i>	<i>GSTIN ALLOTTED</i>
<i>N 44 MIDC Tarapur, Boisar Thane – 401506</i>	<i>27AAECA6247N1ZA</i>

38. WHISTLE BLOWER POLICY / VIGIL MECHANISM

Your Company has formulated a Whistle Blower Policy / Vigil Mechanism, which provides a formal mechanism for all employees and the Directors of the Company to report about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or an event he becomes aware of that could have a detrimental effect on the business or reputation of the Company and provides reassurance that they will be protected from reprisals or victimization for whistle blowing. The Policy has been posted on the Company's website. No person was denied access to the Chairperson of the Audit Committee to report any concern. The said Whistle Blower Policy has been disseminated on the Company's website.

39. SEXUAL HARASSMENT

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

40. CORPORATE GOVERNANCE:

Since the Company's Securities are listed on SME Emerge platform of National stock Exchange of India Limited, by virtue of Regulation 15 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 the compliance with the Corporate Governance provisions as specified in Regulation 17 to 27 and clause (b) to (i) of sub - regulation (2) of regulation 46 and Para C, D and E of Schedule V are not applicable to the company. Hence corporate Governance does not form part of this Board's Report.

41. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as required under Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 forms part of this report and is attached as "Annexure F".

42. INSIDER TRADING

The Board of Directors has adopted the Inside Trading Policy in accordance with the requirement of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Inside Trading Policy of the company lays down guidelines and procedure to be followed, and disclosure to be made while dealing with shares of the company as well as consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in the company's shares.

The Company had in place a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Accordingly, the Board approved and adopted:

- a) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information; and
- b) Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons.

The code referred to in (a) above is placed on the Company's website www.ambaniorganics.com.

43. CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all the Board Members and Senior Management personnel of the Company. The Board Members and the Senior Management personnel have to affirm compliance with the code for the F.Y. 2019-20. The said Code of Conduct has been posted on the website of the Company. A declaration to this effect is annexed and forms part of this report.

44. CERTIFICATION FROM CHIEF FINANCIAL OFFICER/CHIEF EXECUTIVE OFFICER OF THE COMPANY:

The Company has obtained a compliance certificate in accordance with Regulation 17(8) of listing Regulations from Mr. Bhavesh Pandya, Chief Financial Officer of the Company. The same forms a part of this Annual Report.

45. ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation to the Bankers of the Company, Company's customers, vendors and investors for their continued support during the year.

The Directors also wish to place on record their appreciation for the dedication and contribution made by employees at all levels and look forward to their support in future as well.

**For and on behalf of the Board of Directors
Ambani Organics Limited**

**Date: 17/07/2020
Place: Mumbai**

Sd/-	Sd/-
Rakesh Shah	Apooni Shah
DIN: 00503074	DIN: 00503116
Managing Director	Wholetime Director

ANNEXURE TO DIRECTOR'S REPORT:

ANNEXURE A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

<i>Sl. No.</i>	<i>Particulars</i>	<i>Details</i>	<i>Details</i>
1.	Name of the subsidiary	Omega Woven Mills Private Limited	Om Maruti Glasswool And Wirenetting Products Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
4.	Share capital	100,000	350,000
5.	Reserves & surplus	(15,81,097)	(44,55,357)
6.	Total assets	57,29,044	58,07,978
7.	Total Liabilities	57,29,044	58,07,978
8.	Investments	NIL	NIL
9.	Turnover	NIL	NIL
10.	Profit before taxation	3,35,237	3,58,931
11.	Current Tax	51,794	55,993
12.	Profit after taxation	2,58,631	(15,88,218)

**For and on behalf of the Board of Directors
Ambani Organics Limited**

**Date: 17/07/2020
Place: Mumbai**

Sd/-	Sd/-
Rakesh Shah	Apooni Shah
DIN: 00503074	DIN: 00503116
ManagingDirector	WholetimeDirector

ANNEXURE B**FORM AOC-2**

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

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

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

1	Name(s) of the related party and nature of relationship	NA
2	Nature of contracts/arrangements/transactions	NA
3	Nature of contracts/arrangements/transactions	NA
4	Salient terms of the contracts or arrangements or transactions including the value, if any-	NA
5	Justification for entering into such contracts or arrangements or transactions	NA
6	Date(s) of approval by the Board	NA
7	Amount paid as advances, if any	NA
8	Date on which the special resolution was passed in general meeting as required under first Proviso to section 188	NA

Details of material contracts or arrangement or transactions at arm's length basis: During the year, the following transaction took place:

SL NO	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
a)	Omega Woven Mills Private Limited	Factory Rent Paid	1 year	6 Lakhs p.a.	25/05/2019	NA
b)	Om Maruti Glasswool And Wirenetting Products Private Limited	Factory Rent Paid	1 year	6 Lakhs p.a.	25/05/2019	NA

(h). Date on which the special resolution was passed in general meeting (if any): - NA

**For and on behalf of the Board of Directors
Ambani Organics Limited**

Date: 17/07/2020
Place: Mumbai

Sd/-
Rakesh Shah
DIN: 00503074
Managing Director

Sd/-
Apooni Shah
DIN: 00503116
Wholetime Director

ANNEXURE C**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31st March, 2020****[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]****I. REGISTRATION AND OTHER DETAILS:**

i)	CIN:	L24220MH1985PLC036774
ii)	Registration Date:	08/07/1985
iii)	Name of the Company:	AMBANI ORAGANICS LIMITED
iv)	Category / Sub-Category of the Company:	Company Limited by Shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	N 44 MIDC Tarapur, Boisar, Thane Maharashtra 401506
	Corporate Office	801,8th Floor,"351-ICON",Next to Natraj Rustomji, W.E.Highway, Andheri (East), Mumbai-400069 Mumbai 400069
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any.	Universal Capital Securities Pvt Ltd. (Formerly known as Mondkar Computers Pvt Ltd.) 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 93 T: +91 (22) 2820 7203-05 / 2825 7641 F: +91 22 2820 7207 W: www.unisec.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Paint and Construction, Textile, Carpet, Adhesive, Paper, etc.	24	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Omega Woven Mills Private Limited	U99999MH1986PTC038908	Subsidiary	99.95%	2(87)
2	Om Maruti Glasswool & Wirenetting Products Private Limited	U74999MH1987PTC042071	Subsidiary	99.95%	2(87)

h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2)Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	
i) Indian	266,000	-	266,000	5.24	370,000	-	370,000	7.29	2.05
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i)Individual shareholders holding nominal share capital upto Rs. 1 lakh	446,000	20,100	466,100	9.18	416,000	20100	436,100	8.59	-0.59
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	368,000	-	368,000	7.25	346,000	-	346,000	6.81	-0.43
c) Others (specify)									
Individual									
i) Indian	-	-	-	-	-	-	-	-	-
ii)Foreign	-	-	-	-	-	-	-	-	-
iii) HUF	36,000	-	36,000	0.71	38,000	-	38,000	0.75	0.04
iv) Market Maker	252,000	-	252,000	4.96	198,000	-	198,000	3.90	-1.06
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1) + (B)(2)	1,368,000	20,100	1,388,100	27.33	1,368,100	20,100	1,388,100	27.33	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	50,58,659	20,100	50,78,659	100	50,58,659	20,100	50,78,659	100	-

(ii) Shareholding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Rakesh Shah	3,364,721	66.25	-	3,364,721	66.25	-	-
2.	Apooni Shah	314,738	6.20	-	314,738	6.20	-	-
3.	Jyotindra Ramniklal Doshi	10,000	0.20	-	10,000	0.20	-	-
4.	Paresh Shah	1,100	0.02	-	1,100	0.02	-	-

(iii) Change in Promoters' Shareholding (Equity Share Capital Details) (please specify, if there is no change): No Change

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

Sl. No.	Name of the shareholder	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
		No. of shares		% of total shares of the company	No. of shares	% of total shares of the company
1.	Aryaman Capital Markets Limited					
	01/04/2019	Opening Balance	252,000	4.96		
	26/04/2019	Transfer	-28000	-0.55	224000	4.41
	10/05/2019	Transfer	8000	0.16	232000	4.57
	07/06/2019	Transfer	2000	0.04	234000	4.61
	14/06/2019	Transfer	2000	0.04	236000	4.65
	21/06/2019	Transfer	2000	0.04	238000	4.69
	26/07/2019	Transfer	-142000	-2.80	96000	1.89
	02/08/2019	Transfer	2000	0.04	98000	1.93
	09/08/2019	Transfer	6000	0.12	104000	2.05
	16/08/2019	Transfer	6000	0.12	110000	2.17
	06/09/2019	Transfer	-2000	-0.04	108000	2.13
	08/11/2019	Transfer	2000	0.04	110000	2.17
	22/11/2019	Transfer	2000	0.04	112000	2.21
	28/02/2020	Transfer	88000	1.73	200000	3.94
	13/03/2020	Transfer	-2000	-0.04	198000	3.90
	31/03/2020	End of the Year			198000	3.90
2	OversKud Multi Asset Management Company					
	01/04/2019	Opening Balance	248000	4.88		
	26/04/2019	Transfer	-80000	-1.58	168000	3.31
	10/05/2019	Transfer	-6000	-0.12	162000	3.19
	21/02/2020	Transfer	-156000	-3.07	6000	0.12
	28/02/2020	Transfer	-6000	-0.12	0	0
3	Emrald Commerical limited					
	01/04/2019	Opening Balance	0	0		
	26/07/2019	Transfer	136000	2.68	136000	2.68
	09/08/2019	Transfer	6000	0.12	142000	2.80
	31/03/2020	End of the Year			142000	2.80
4	S K Growth Fund Pvt Ltd					
	01/04/2019	Opening Balance	0	0		

	26/04/2019	Transfer	106000	2.09	106000	2.09
	26/07/2019	Transfer	30000	0.59	136000	2.68
	31/03/2020	End of the Year			136000	2.68
5	Nopea Capital Services Private Limited					
	01/04/2019	Opening Balance	0			
	06/09/2019	Transfer	2000	0.04	2000	0.04
	28/02/2020	Transfer	72000	1.42	74000	1.46
	31/03/2020	End of the Year			74000	1.46
6	Chirag Jaysukhbhai Mehta	0				
	01/04/2019	Opening Balance	54000	1.06		
	31/03/2020	End of the Year			54000	1.06
7	Daksha Kamlesh Sanghavi					
	01/04/2019	Opening Balance	48000	0.95		
	31/03/2020	End of the Year			48000	0.95
8	Dilipkumar Vikamchand Mehta					
	01/04/2019	Opening Balance	40000	0.79		
	31/03/2020	End of the Year			40000	0.79
9	Parul Dilipkumar Mehta					
	01/04/2019	Opening Balance	38000	0.75		
	31/03/2020	End of the Year			38000	0.75
10	Neetu Notani Thakur					
	01/04/2019	Opening Balance	34000	0.67		
	31/03/2020	End of the Year			34000	0.67
11	Hiren Jaysukhbhai Mehta					
	01/04/2019	Opening Balance	22000	0.43		
	31/03/2020	End of the year		0.00	22000	0.43

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
1.	Rakesh Shah				
	At the beginning of the year	3,364,721	66.25	3,364,721	66.25
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	3,364,721	66.25	3,364,721	66.25
2.	Apooni Shah				
	At the beginning of the year	314,738	6.20	314,738	6.20
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	314,738	6.20	314,738	6.20
3.	Paresh Shah				
	At the beginning of the year	1,100	0.2	1,100	0.2
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	1,100	0.2	1,100	0.2

V. INDEBTEDNESS

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

	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year				
i) Principal Amount	133,926,679	7,387,027	-	141,313,706
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	133,926,679	7,387,027	-	141,313,706
Change in Indebtedness during the financial year				
• Addition	51,015,148	109,983	--	51,125,131
• Reduction	-	-	-	-
Net change	51,015,148	109,983	-	51,125,131
Indebtedness at the end of the financial year				
i) Principal Amount	184,941,827	7,497,010	-	192,438,837
ii) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (i+ii+iii)	184,941,827	7,497,010	-	192,438,837

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Executive Directors:

Sl. No	Particulars of Remuneration	Name of Executive Director		Total Amount
		Rakesh Shah	Apooni Shah	
1.	Gross Salary	4,800,000	4,200,000	9,000,000
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of Profit - others, specify....	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	4,800,000	4,200,000	9,000,000

B. Remuneration to other directors:

I. Independent Directors:

II. Other Non-Executive Directors:

Sr no	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		Sharad Kothari (Non-Executive Directors)	Sanjay Natwarlal Mehta (Independent Directors)	Prakash Anna Mahanwar (Independent Directors)	
	I. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
	II. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	582,000	-	-	582,000
	Total (2)	582,000	-	-	582,000
	Total (B) = (1+2)	582,000			582,000
	Total Managerial Remuneration	582,000	-	-	582,000
	Overall Ceiling as per the Act				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Paresh Harsukhlal Shah (CEO)	*Ms. Richa Chokhani (Company Secretary)	Bhavesh Babulal Pandya (CFO)	
1.	Gross Salary	334,800	30,000	435,600	951,000
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of Profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	334,800	30,000	435,600	951,000

*Appointed wef 16.03.2020

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A.

For and on behalf of the Board of Directors
Ambani Organics Limited

Date: 17/07/2020
Place: Mumbai

Sd/-	Sd/-
Rakesh Shah	Apooni Shah
DIN: 00503074	DIN: 00503116
Managing Director	WTD

ANNEXURE D

Secretarial Audit Report

FORM NO. MR-3

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

To,
The Members,
AMBANI ORGANICS LIMITED
801,8th Floor,"351-ICON",
Next to Natraj Rustomji, W.E. Highway,
Andheri (East), Mumbai-400069

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **AMBANI ORGANICS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Due to the current nationwide lockdown arising out of COVID-19 pandemic, we have examined the papers, minute books, forms, returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 provided to us through electronic mode. No physical verification of any document / record was possible. Based on our examination as aforesaid and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **AMBANI ORGANICS LIMITED** ("the Company") for the financial year ended on 31st March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; (not applicable to the Company during the Audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014 (not applicable to the Company during the Audit period);
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the Audit period) and
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(not applicable to the Company during the Audit period); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(not applicable to the Company during the Audit period);

(vii) Other Laws applicable to the Company as per the representations made by the Company are listed in **Annexure I** and forms an integral part of this report.

In case of Direct and Indirect Tax Laws like Income Tax Act, Goods and Service Tax Act we have relied on the Reports given by the Statutory Auditors of the Company.

We have also examined compliance with the applicable clause of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- b. The (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

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

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.

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

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

We further report that during the period under review,

1. Mrs.. Richa Chokhani has been appointed as a Company Secretary and Compliance officer w.e.f 16/03/2020.
2. Mrs. Vaijanti Vinod Sawant has been resigned as a Company Secretary and Compliance officer w.e.f.11/03/2020

This report is to be read with my letter of even date which is annexed as **Annexure II** and form an integral part of this report.

Date: 17/07/2020

Place: Mumbai

UDIN: F010378B000470068

**For Mayank Arora & Co.
Company Secretaries**

**Sd/-
Mayank Arora
Proprietor
C.P. No. 13609
PR.NO-679/2020**

Other Laws applicable to the Company

(A) Commercial Laws

- (i) Indian Contract Act
- (ii) Negotiable Instruments Act

(B) Immovable and Intellectual Property Laws

- (i) Bombay/Indian Stamp Act
- (ii) Trademark Law
- (iii) Rent Act

(C) Labour Laws

- (i) The Payment of Bonus Act
- (ii) The Payment of Gratuity Act
- (iii) Minimum Wages Act
- (iv) Workmen's Compensation Act
- (v) Employee Pension Scheme
- (vi) Factories Act
- (vii) The Maternity Benefit Act
- (viii) Prevention of Sexual Harassment at workplace Act
- (ix) Equal Remuneration Act
- (x) Child labour (Prohibition & regulation) Act

(E) Others

- a) Shops & Establishments Act
- b) Air Pollution Act, Water Pollution Act, Environment Protection Act etc

Date: 17/07/2020

**For Mayank Arora & Co.
Company Secretaries**

Place: Mumbai

Sd/-

**Mayank Arora
Proprietor
C.P. No. 13609**

To,
The Members,
AMBANI ORGANICS LIMITED
801,8th Floor,"351-ICON",
Next to Natraj Rustomji, W.E.Highway,
Andheri(East),Mumbai-400069

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.

6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

7. We have reported, in our audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company.

Date:17/07/2020

Place: Mumbai

For Mayank Arora & Co.
Company Secretaries

sd/-
Mayank Arora
Proprietor
C.P. No. 13609

ANNEXURE E

(Statement of Disclosure of Remuneration under section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment of Remuneration of Managerial Remuneration) Rules, 2014

i. Ratio of remuneration of each director to the median remuneration of the Employee of the Company for the Financial Year-2019-20

S No.	Name	Category	Remuneration	Median Remuneration	Ratio
1.	Mr. Rakesh Hasmukhlal Shah	Managing Director	48,00,000	411,070	11.67
2.	Mrs. Apooni Rakesh Shah	Whole Time Director	42,00,000	411,070	10.21
3.	Mr. Sharad P Kothari	Director	5,82,000	411,070	1.41
4.	Mr. Sanjay Natwarlal Mehta	Director	-	-	-
5.	Mr. Prakash Anna Mahanwar	Director	-	-	-
6.	Mr. Dilipkumar Vikamchand Mehta	Director	-	-	-
7.	Mr. Paresh Harsuklal Shah	CEO(KMP)	3,34,800	411,070	0.81
8.	Mr. Bhavesh Babulal Pandya	CFO(KMP)	4,35,600	411,070	1.05

Note: For this purpose, sitting fees paid to Directors have not been considered as remuneration.

ii. the percentage of increase in remuneration of each director, Chief financial officer, chief executive officer, Company secretary or Manager, if any in the F.Y. 2019-20:

S No.	Name	Category	%
1.	Mr. Rakesh Hasmukhlal Shah	Managing Director	20
2.	Mrs. Apooni Rakesh Shah	Whole Time Director	133.33
3.	Mr. Sharad P Kothari	Director	27.91
4.	Mr. Sanjay Natwarlal Mehta	Director	-

5.	Mr. Prakash Anna Mahanwar	Director	-
6.	Mr. Dilipkumar Vikamchand Mehta	Director	-
7.	Mr. Paresh Harsuklal Shah	CEO(KMP)	-
8.	Mr. Bhavesh Babulal Pandya	CFO(KMP)	1.83

The median remuneration of the employees of the Company as on 31st March 2020 was Rs 411,070/-

iii . The percentage increase in the median remuneration of employees in F.Y. 2019-20 stood at 89.58%

iv. no. of permanent employees of the Company : 90

v. average percentage increase already made in the salaries of employees other than the managerial remuneration in comparison with the last financial year : 25%

vi Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other senior management is as per the remuneration policy of the Company.

vii. Disclosure under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There are no employees appointed by the Company who were in receipt of remuneration of Rs. 1.20 Crores or more per Annum employed throughout the year and Rs. 8.50 Lakhs or more Per Month employed for part of the year.

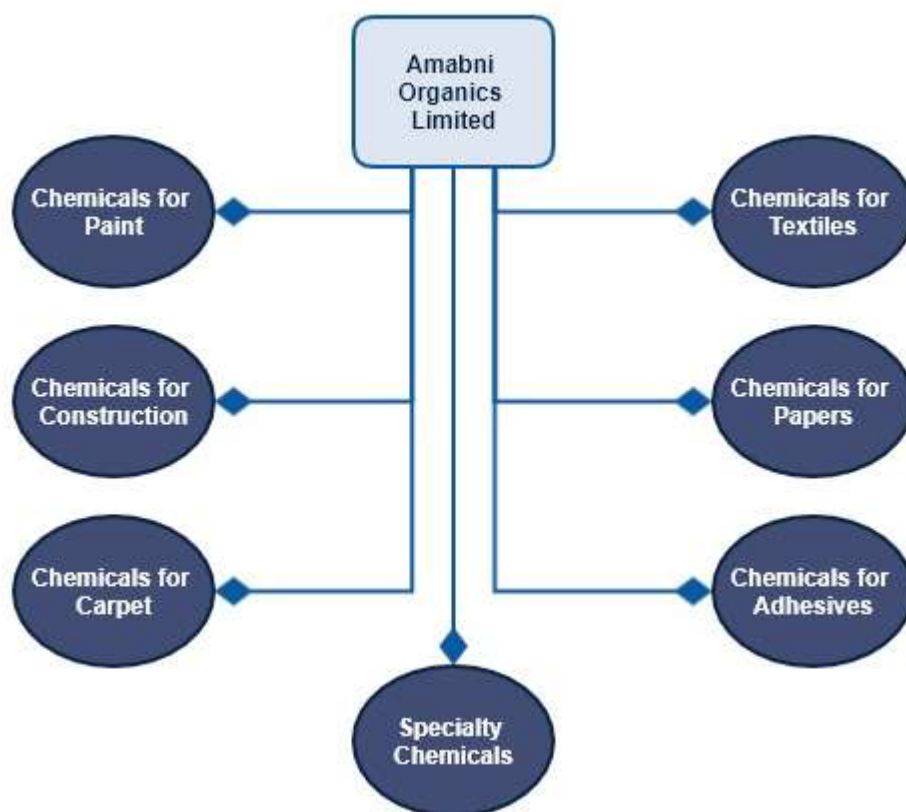
Hence the Disclosure under Rule 5(2) is not applicable.

Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the names of top ten employees in terms of remuneration drawn is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during business hours on working days upto the date of ensuing Annual General Meeting and shall also be made available on the website of the Company post AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

ANNEXURE F

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Ambani Organics Limited is a manufacturer, processor, importer, supplier and exporter of water based speciality chemicals used in Paper Industry, Paint Industry, Textile Industry, Carpet Industry, Adhesive Industry, etc. Our Company was incorporated in the year 1987 and is engaged in the business of speciality chemicals for more than 3 (three) decades. We are an "ISO 9001:2015 - Quality Management System" certified company and we have also obtained GOTS (Global Organic Textiles Standards) certification for some of our textile industries chemicals.



Over the years we have developed good standing with our customers from various industries to whom we have supplied speciality chemicals such as Textile Auxiliaries, Acrylic Polymers, Binders and Paint Dryers. We have dedicated industry based marketing managers who market our products to the specific industry which has been allocated. Our overseas marketing headed by Mr. Rakesh Shah and the domestic marketing is headed by Mr. Sharad Kothari.

We have a dedicated in-house Research & Development and Quality Assurance/Quality Control Team which undertakes rigorous testing and quality management. Our R&D Centre is located at Plot No. N-55, MIDC Tarapur Boisar, Thane, Maharashtra - 401506. Our dedicated R&D team tests the raw materials procured and the products manufactured. The R&D team is instrumental in maintaining the high quality of our products.

COMPETITION

The chemical industry captures a wide variety of companies that serve to provide products and services that keep the everyday consumer engaged. There are a number of segments within the industry, each of which provides a different form of services to consumers around the world. Thus, Chemical market is highly competitive and fragmented, and we face competition from leading Chemical and Dye Industries, that are expanding their traditional offerings (in India) to include research and development (R&D), product development, and other niche services. We compete with our competitors on a regional or product line basis. Some of our competitors may have greater financial, marketing, sales and other resources than we do. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products. We propose to create awareness of our products by participating in award functions, fairs, conferences, etc. Moreover, as we seek to diversify into new geographical areas, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets.

Significant Developments after March 31, 2018 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements which materially or adversely affect or are likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months except as below:

Our Company has entered into a leave and licence agreement with our Subsidiary Omega Woven Mills Private Limited from May 04, 2018 renewable each year. The premises taken on leave and licence is used for our Research and Development purposes. If we are unable to renew the agreement after one year or the agreement is cancelled mid-year, it may affect our future results of operations.

Factors affecting our Result of Operation

The following important factors could cause actual results to differ materially from the expectations include, among others.

(a) Revenue Generation

We earn our revenue from manufacturing varied speciality chemicals catering to various industries. Our Company is engaged in manufacturing of chemicals such as Textile Auxiliaries, Acrylic Polymers, Binders and Paint Dryers.

Since we continuously endeavor to provide quality products to our customers, our revenues have been impacted by such quality products. We have a marketing team allocated for the same, each handled by well trained personnel. We aim at increasing in operational output through continuous process improvement, Quality Assurance (QA) and QA activities, customer service, consistent quality and technology development.

(b) Our Financial Expenses

We have term loan and working capital facilities from our bankers. Our profitability is significantly impacted by our financial costs. For the fiscals 2019, 2020 our financial expenses were Rs. 24,894,824/-, and Rs. 23,643,152/- respectively. Our financial growth depends on how well we manage and service our debts.

(c) Our ability to successfully implement its strategy and its growth and expansion plans

Our revenue and our business operations have grown in recent years. Although we plan to continue to expand our scale of operations, we may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to maintain customer satisfaction, macroeconomic factors beyond our control such as decline in global economic conditions, availability of cheaper imported products, competition within India's speciality chemicals industry from players in the organized and unorganized segments, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business operations. Our development and expansion strategies will require substantial managerial efforts and skills and the incurrence of additional expenditures and may subject us to new or increased risks. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and have an adverse effect on our business.

(d) Market Conditions and Demand for our Products and Services

Our results of operations depend on the continued existence, success and growth of, and demand for, our various product. Developments in the global and Indian economy influence the decisions of enterprises to determine their pricing strategy, market based factors and quality standards thereby affecting the demand for our products and services.

Our revenues have a mix of domestic and export sales; so consequently, our operating results depend on general economic conditions not only in India but also our export market. With no entry barriers in the industry, the area for exposure and exploitation of the opportunities provides benefits in terms of expansion and revenue to the company.

With the global economy showing varied patterns, Indian economy showing signs of recovery and the Indian Government's focus on financial inclusion, we expect the demand for our products and services to grow.

Mayank Arora & Co.

Company Secretaries

Office no. 268, 2nd Floor,
Udyog Bhavan, Sonawala Road,
Goregaon (East),
Mumbai - 400 063.
India

Mob: +91 9773398470
+91 9324254455
Tel: +91 2249735566

Email: cs@mayankarora.co.in
Website: www.mayankarora.co.in

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant To Regulation 34(3) And Schedule V Para C Clause (10)(I) Of The Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015

To,
The Members
Ambani Organics Limited,
N 44 MIDC Tarapiur
Boisar Thane -401506

In my opinion and to the best of my information, verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) and according to our of examination of the relevant records and information provided by **AMBANI ORGANICS LIMITED** ('the Company') and based on representation made by the Management of the Company for the period from 1st April, 2019 to 31st March, 2020 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the LODR Regulations') read with Part C of Schedule V of the LODR Regulations, I hereby certify that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period as on 31st March, 2020.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mayank Arora & Co.,
Company Secretaries

SD/-
Mayank Arora
Proprietor
Membership No.: F10378
COP No.: 13609

Place: Mumbai
Date: 29th June, 2020
UDIN number: F010378B000395611

CEO/CFO CERTIFICATION

To,
The Board of Directors
Ambani Organics Limited
N 44 MIDC Tarapur, Boisar Thane – 401506

I, Paresh Harsuklal Shah, the Chief Executive Officer (CEO) of the Company do hereby certify to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year ending 31st March, 2020 and that to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material factor 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.
3. 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.
4. We have indicated to the auditors and the Audit committee:
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes 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;

Ambani Organics Limited

Sd/-

Paresh Harsuklal Shah
Chief Executive Officer

Date: 17/07/2020

Declaration on adherence to the Code of Conduct under Regulation 34 (3) and 53 (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

As provided under Regulation 34 (3) and 53 (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, this is to confirm that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the year ended 31st March, 2020.

By order of the Board

Ambani Organics Limited

Date:17/07/2020

Place: Mumbai

Sd/-

Rakesh Shah

DIN: 00503074

Managing Director

Sd/-

Apooni Shah

DIN: 00503116

WTD

COMPLIANCE CERTIFICATE

[See Regulation 17(8)]

The following compliance certificate shall be furnished by chief executive officer and chief financial officer:

A. They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to

D. They have indicated to the auditors and the Audit committee

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

By order of the Board

Ambani Organics Limited

Sd/-

Bhavesh Babulal Pandya

CFO

Date: 17/07/2020

Place: Mumbai

Independent Auditors' Report

To,
The Members of Ambani Organics Limited

Opinion

We have audited the standalone financial statements of Ambani Organics Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss and statement of cash flows for the year then ended March 2020, and a summary of the significant accounting policies and other explanatory information (herein referred to as "financial Statement").

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matter:

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

Key Audit Matter	How our Audit addressed the Key Audit Matter
<p>Valuation of Inventories <i>We refer of financial statement's accounting principles on inventories and related disclosure in the Note 15.</i></p> <p>At the Balance sheet date, the value of inventory amounted to INR 16.57 Crores. Inventories were considered as a key audit matter due to the size of balance and because inventory valuation involves management judgment. According to Financial statement inventories are measured at the lower of cost of NRV.</p>	<p>To Address the risk for material error on inventories, our audit procedure included amongst other:-</p> <ul style="list-style-type: none">Assessing the compliance of company's accounting policies over inventory with applicable accounting standards.Assessing the inventory valuation processes and practices. At Location

	<p>we tested the effectiveness of the key controls.</p> <ul style="list-style-type: none"> Assessing the analyses and assessment made by management with respect to slow moving and obsolete stock. <p>We assessed the adequacy of the company's disclosure related to inventory.</p>
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Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation 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 of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 1 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (a) The Company does not have any pending litigations which would impact its financial position.
 - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Shambhu Gupta & Co.

Chartered Accountants

Firm Registration Number: 007234C

Sd/-

CA. Rajkumar Khatod

Partner

Membership No: 133612

UDIN :- 20133612AAAAEN1722

Place: Mumbai

Date: July 17th, 2020

THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE COMPANY ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31st MARCH 2020

Re: Ambani Organics Limited ('the Company')

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us during the course of our audit, we report that:

- (i)
 - (a) The Company has maintained the proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to information & explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- (ii) The inventories have been physically verified at reasonable intervals during the year by the management. The discrepancies noticed on physical verification between the physical stock and book records were not material and have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans to two bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (a) There is no repayment schedule for payment of principle and interest between both the companies, Hence the provision of clause (b) and (c) are not applicable to company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed

accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) According to the information and explanations given to us, in respect of statutory dues

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any Bank or financial institutions during the year.

(ix) In our opinion and according to the information and explanations given to us, the initial public offer and term loan taken by the company has been applied for the purpose for which they were raised.

(x) In our opinion and according to the information and explanations given to us there is no fraud by the company or no material fraud on the Company by its officers/ employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The company is not a Nidhi Company so the provision of this clause is not applicable to company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment/ Private placement of shares or fully or partly convertible debenture during the year hence reporting under clause 3 (xiv) of the order is not applicable to the company.

(xv) In our opinion and according to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him so provisions of Section 192 of Companies Act, 2013 have been complied with.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Shambhu Gupta & Co.

Chartered Accountants

FRN No.:- 007234C

SD/-

CA. Rajkumar Khatod

Partner

M. No. 133612

UDIN :- **20133612AAAAEN1722**

Place:-Mumbai

Date: - July 17th, 2020

ANNEXURE 2 TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Ambani Organics Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company 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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Shambhu Gupta & Co.

Chartered Accountants

Firm Registration Number: 007234C

SD/-

CA. Rajkumar Khatod

Partner

Membership No: 133612

UDIN :- 20133612AAAEN1722

Place: Mumbai

Date: July 17th, 2020

Standalone Balance Sheet for the Year ended 31st March, 2020

Particulars	Note No	Year Ended 31.03.2020	Year Ended 31.03.2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	50,786,590	50,786,590
(b) Reserves and Surplus	3	120,452,556	105,289,796
(2) Non-Current Liabilities			
(a) Long-term Borrowings	4	18,999,402	18,499,502
(c) Other Long term Liabilities	5	75,315,095	55,344,795
(b) Deferred tax liabilities (Net)	6	7,067,805	5,791,626
(d) Long-term Provision	7	5,497,948	6,466,511
(3) Current Liabilities			
(a) Short-term borrowings	8	173,439,435	122,814,203
(b) Trade payables	9	163,321,529	241,367,515
(c) Other current liabilities	10	9,454,376	8,276,281
(d) Short-term provisions	11	2,623,271	2,646,178
Total		626,958,007	617,282,997
II.ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		122,189,232	109,966,856
(ii) Intangible assets		308,357	217,858
(iii) CWIP		16,141,126	-
(b) Non-current investments	13	14,746,914	14,746,914
(c) Long term loans and advances	14	17,291,219	19,294,097
(d) Deferred Tax Assets (Net)	6	-	-
(d) Other non-current assets		-	-
(2) Current assets			
(a) Inventories	15	165,751,977	170,984,157
(b) Trade receivables	16	231,808,552	223,666,391
(c) Cash and cash equivalents	17	25,600,339	33,591,120
(d) Short-term loans and advances	18	6,769,318	5,803,198
(e) Other current assets	19	26,350,973	39,012,407
Total		626,958,007	617,282,997
Significant accounting policies			
Notes to the Standalone financial statements	1 to 41		

As per our Report of even date
For Shambhu Gupta & Co.
FRN No.:- 007234C
Chartered Accountants

SD / -

CA. Rajkumar Khatod
Partner
Membership No. 133612
UDIN :- 20133612AAAAEN1722

Place :- Mumbai
Dated :- July 17th, 2020

For and on behalf of Board of Directors of
AMBANI ORGANICS LIMITED

SD / -

Mr. Rakesh Shah
Director
DIN No. 00503074

SD / -

Mr. Bhavesh Pandya
Chief Financial Officer

SD / -

Mrs. Apooni Shah
Director
DIN No. 00503116

SD / -

Ms. Richa Chokhani
Company Secretary

Standalone Profit and Loss statement for the year ended 31st March, 2020

Particulars	Note No.	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
I. Revenue from operations	20	847,402,350	927,427,238
Less:- Duties & Taxes		118,688,751	132,794,223
Net Revenue from operations		728,713,599	794,633,015
II. Other Operational Income	21	5,092,150	4,477,660
III. Total Revenue		733,805,750	799,110,675
<u>IV. Expenses:</u>			
Cost of materials consumed	22	618,236,979	680,796,127
Changes in inventories of finished goods and Stock-in-Trade	23	(22,101,675)	(21,425,646)
Employee benefit expense	24	30,348,598	29,689,806
Financial costs	25	23,643,152	24,894,824
Depreciation and amortization expense		7,803,002	6,303,802
Other expenses	26	52,391,203	50,527,125
IV Total Expenses		710,321,260	770,786,038
V. Profit before exceptional and extraordinary items and tax	(III - IV)	23,484,490	28,324,637
VI. Exceptional items	27	1,313,033	3,602,661
VII Profit before extraordinary items and tax	(V - VI)	22,171,457	24,721,976
VIII. Extraordinary Items		-	-
IX. Profit before tax	(VIII-IX)	22,171,457	24,721,976
X. Tax expense:			
(1) Current tax		3,700,860	5,089,464
(2) Mat Credit Entitlement		2,031,659	(5,089,464)
(3) Tax adjstment of earlier year		-	-
(3) Deferred tax		(1,276,179)	(6,618,832)
XI. Profit/(Loss) for the period	(IX-X)	15,162,760	18,103,145
XII. Earning per equity share:			
Basic EPS (In Rs.)		2.99	3.56
Diluted EPS (In Rs.)		2.99	3.56
Significant Accounting Policies Notes on Financial Statements	1 to 41		

As per our Report of even date
For Shambhu Gupta & Co.
FRN No.:- 007234C
Chartered Accountants

SD / -

CA. Rajkumar Khatod
Partner
Membership No. 133612
UDIN :- 20133612AAAAEN1722

Place :- Mumbai
Dated :- July 17th, 2020

For and on behalf of Board of Directors of
AMBANI ORGANICS LIMITED

SD / -

Mr. Rakesh Shah
Director
DIN No. 00503074

SD / -

Mr. Bhavesh Pandya
Chief Financial Officer

SD / -

Mrs. Apooni Shah
Director
DIN No. 00503116

SD / -

Ms. Richa Chokhani
Company Secretary

Standalone Cash Flow Statement for the year ended 31st March, 2020

	Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
A	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
	Net Profit before tax and before extraordinary items	22,171,457	24,721,976
	<u>Adjustments for : -</u>		
	Depreciation	7,803,002	6,303,802
	Interest Expenses	19,210,805	22,116,087
	Initial Public offer Expenses	-	(5,378,621)
	Interest Income	(1,306,351)	(1,110,145)
	Operating profit before working capital changes	47,878,913	46,653,099
	<u>Adjustments for : -</u>		
	Inventories	5,232,180	(67,163,659)
	Short term provisions	(22,907)	910,815
	Short term borrowings	50,625,232	(1,883,209)
	Other Current Liabilities	1,178,095	(20,027)
	Other Current Assets	10,629,775	7,962,857
	Trade and other receivables	(8,142,161)	(41,684,202)
	Long term Provision	(4,669,423)	1,167,455
	Other Long term Liabilities	19,970,300	10,065
	Long term Loans and Advances	2,002,878	(1,578,373)
	Short term Loans and Advances	3,882,815	(1,397,689)
	Trade Payables	(78,045,986)	47,363,660
	Net (Increase)/Decrease in Working Capital	2,640,798	(56,312,307)
	Cash generated from / (used in) Operating Activities		
	Taxes (Paid) (including TDS)	4,848,935	5,222,685
	Net Cash from operating activities	A 45,670,777	(14,881,893)
B	<u>Cash Flow from Investing Activities:</u>		
	Purchase of fixed assets	(36,257,003)	(12,981,859)
	Sale of Fixed assets	-	1,500,000
	Interest Received	1,306,351	1,110,145
	Net Cash used in investment activities	B (34,950,652)	(10,371,714)
C	<u>Cash Flow from Financing Activities:</u>		
	Equity Share Issued	-	12,680,000
	Securities Premium Received	-	71,008,000
	Proceeds / (Repayment) of Long-term Borrowings	499,900	(10,248,216)
	Interest Paid	(19,210,805)	(22,116,087)
		C (18,710,906)	51,323,697
	Net Increase / (Decrease) in Cash and Cash Equivalents	(7,990,781)	26,070,091
	Opening Balance Cash & Cash Equivalents	33,591,120	7,521,030
	Closing Balance Cash & Cash Equivalents	25,600,339	33,591,120

Standalone Cash Flow Statement for the year ended 31st March, 2020

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2 Cash and Cash Equivalent at the end of the year consist of cash in hand and balances with banks, fixed deposit from banks and buyers margin.

As per our Audit Report of even date

As per our Report of even date
For Shambhu Gupta & Co.
FRN No.:- 007234C
Chartered Accountants

SD / -

CA. Rajkumar Khatod
Partner
Membership No. 133612
UDIN :- 20133612AAAAEN1722

Place :- Mumbai
Dated :- July 17th, 2020

For and on behalf of Board of Directors of
AMBANI ORGANICS LIMITED

SD / -

Mr. Rakesh Shah
Director
DIN No. 00503074

SD / -

Mrs. Apooni Shah
Director
DIN No. 00503116

SD / -

Mr. Bhavesh Pandya
Chief Financial Officer

SD / -

Ms. Richa Chokhani
Company Secretary

AMBANI ORGANICS LIMITED
N-44, MIDC, Boisar
CIN:- U24220MH1985PLC036774

NOTE NO. 1:

Background & General Information

Our Company was incorporated as Ambani Organics Private Limited on 08th July 1985 under the companies Act, 1956 bearing registration no. 036774 and having its registered office in Boisar, Tarapur Maharashtra. Subsequently, the status of company was changed to a public limited company and the name of our company was changed to Ambani Organics Limited vide special resolution dated March 07, 2018. A fresh certificate of incorporation consequent upon change of name was issued on March 07, 2018 by the Registrar of Companies, Mumbai, Maharashtra, further company listed the share on NSE on 18th July 2018.

Ambani Organics Limited is a chemical manufacturing company with manufacturing and Processor, Importer, Supplier and Exporter of Chemical & Dyes used in Painting and Textile Industry.

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The Financial Statement have been prepared under the historical cost convention in accordance with the generally accepted accounting principles, applicable accounting standards excepts otherwise stated and the provisions of the Companies Act, 2013 as adopted consistently by the Company. The Company generally follows mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

Note on COVID-19

As per Management current assessment no significant impact on carrying amount of inventories, trade receivable, Investments and other financial assets is expected and management will continue to monitor changes in further economic conditions. The eventual outcome of the impact of the global health pandemic maybe different from those estimated as on the date of approval of these Financial Statement.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

C. Fixed Assets & Depreciation

Fixed assets are stated at cost inclusive of value added tax less accumulated depreciation and impairment loss, if any. All costs including financing costs till commencement of commercial production. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on fixed assets is provided on straight line method using the life of assets based on the useful lives provided by the Schedule II of Companies Act 2013.

Depreciation on assets acquired / disposed off during the year has been provided on a pro-rata basis from the date of addition or up to the date of disposal as applicable.

There is no difference in life of assets as prescribed in schedule II of Companies Act 2013 and in our working.

D. Revenue Recognition

Sales are exclusive of GST. Sales are recognized when significant risk and rewards of ownership of goods are passed on to customers. Sales tax incentives are recognized as income as and when the amounts of incentive are confirmed by the respective officers.

E. Investments

Current investments are carried at lower of cost and quoted/ fair market value, compared category wise. Long term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than a temporary.

F. Inventories

Inventories are valued at:

1. Raw Materials, Stores & Spare Parts: At Cost (FIFO).
2. Finished Goods: The cost is determined by taking material, labour & related factory overheads. The company follows exclusive method for valuation of stock. It is valued at lower of Cost or net reliable value.
3. Consumable Stores : At Cost (FIFO)

G. Impairment of Assets.

The carrying amount of assets is reviewed at each Balance-sheet date if there is an indication of impairment based on the internal and external factors. An impairment loss if any is charged to Statement of Profit & Loss in the year in which the amount is identified as impaired. There are no assets which can be termed is impaired asset during the year.

H. Employee Benefits

Short term employee benefits and contribution to defined contribution plans are recognized as an expense on accrual at the undiscounted amount in the Statement of Profit and Loss. Other long term employee benefits in the nature of gratuity are accounted on Cash basis and computed in accordance with the policy of the company in the said regard.

I. Foreign Currency Transaction

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the rate of the transactions. Monetary items denominated in foreign currency at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rates and rate on the date of the contract recognized as exchange difference and the premium paid on forward contract is recognized over the life of the contract.

J. Provision for Current and Deferred Tax

Provision for taxation is made on the basis of the taxable profits computed for the current accounting year in accordance with the provision contained in the Income-tax Act, 1961. Provision is also made for the deferred tax assets arising due to C/F losses & deferred tax liability arising due to the timing difference between profit computed as per the Income-tax and the financial statements. Net Deferred tax Assets resulting from the timing difference & losses are expected to crystallize in the future.

NOTES ON ACCOUNTS

Note 2.a Disclosure of Share Capital

<u>Share Capital</u>	As at 31 March 2020		As at 31 March 2019	
	Number	Rs.	Number	Rs.
<u>Authorised</u> Equity Shares Of Rs. 10/- Each	7,000,000	70,000,000	7,000,000	70,000,000
<u>Issued, Subscribed & Paid up</u> Equity Shares of Rs. 10/- each fully Paid	5,078,659	50,786,590	5,078,659	50,786,590
Total Rs.	5,078,659	50,786,590	5,078,659	50,786,590

Note 2.b Disclosure related to Outstanding share detail

<u>Particulars</u>	As at 31 March 2020		As at 31 March 2019	
	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,078,659	50,786,590	3,810,659	38,106,590
Shares Issued during the year	-	-	1,268,000	12,680,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,078,659	50,786,590	5,078,659	50,786,590

Note 2.c Details of the Shareholding more than 5%

<u>Name of Shareholder</u>	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	% of Holding	No. of Shares	% of
Rakesh Shah	3,364,721	66.25	3,364,721	66.25
Apooni Shah	314,738	6.20	314,738	6.20

Note 3

Reserves & Surplus	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
Securities Premium Account		
Opening Balance	73,902,410	2,894,410
Add : Securities premium credited on Share issue	-	71,008,000
Closing Balance	73,902,410	73,902,410
Profit and loss Account		
Opening balance	31,387,386	18,662,862
(-) Initial Public offer Expenses	-	5,378,621
(+) Net Profit/(Net Loss) For the current year	15,162,760	18,103,145
Closing Balance	46,550,146	31,387,386
Total Rs.	120,452,556	105,289,796

Note 4

Long Term Borrowings	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
Secured		
(a) Loans from Banks		
Union Bank of India		
i) Term Loan for Plant and Machinery *	7,550,912	10,264,684
ii) Car Loan **	311,865	847,792
*		
(i) The above loan from UBI and debts are secured by first mortgage of Plant & machinery's purchased from this loan and personal guarantee of directors and payable in 84 monthly installment of Rs.3,10,000/- Starting from month of March,2016.		
**		
(ii) The Car Loan from UBI and it is secured by vehicle only.		
(a) Loans from NBFC's		
BMW India Financial Services Pvt. Ltd.		
i) Car Loan*	3,639,616	-
* The Car Loan is secured by vehicle only.		
A	11,502,393	11,112,476
Unsecured		
a) Intercompany Loans	3,700,000	3,700,000
b) From Directors	1,954,995	2,967,613
c) Unsecured Loan from NBFC	1,842,015	719,414
B	7,497,010	7,387,027
Total (A+B)	18,999,402	18,499,502

Note 5	<u>Other Long term Liabilities</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Other Long term Liabilities		
	a) Other Long term Liabilities	75,315,095	55,344,795
	Closing Balance	75,315,095	55,344,795

Note 6	<u>Deferred Tax Liability/(Assets)</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Opening Deferred Tax Assets	5,791,626	(827,206)
	For Current Year (P&L)	(1,276,179)	(6,618,832)
	Closing Balance	7,067,805	5,791,626

Note 7	<u>Long-term Provision</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Provision for Tax	3,700,860	5,089,464
	Provision for Gratuity -Refer Note 41	1,797,088	1,377,047
	Total	5,497,948	6,466,511

Note 8	<u>Short Term Borrowings</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Secured		
	(a) Loans Repayable on Demand		
	- Working Capital Loan		
	Union Bank of India, Mumbai.	125,668,918	122,814,203
	(b) Buyers Credit	47,770,516	-
	Above loans are secured as follows:		
	Prime security for the loan is Stock & Book Debts		
	Collateral Security given 1. Factory land & Building N-44, Office Premises,		
	Fixed Deposits of company. 2. Factory land & building N-55 of subsidiary		
	company M/s Omega woven mills (P) Ltd 3. Guarantee of Directors Rakesh		
	Shah, Apooni Shah & Omega Woven Mills (P) Ltd.		
	Total Rs.	173,439,435	122,814,203

Note 9	Trade Payables	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Sundry Creditors		
	(a) Sundry Creditors for goods & Service	163,321,529	241,367,515
	Total Rs.	163,321,529	241,367,515
<i>As at March 31, 2020 there are no outstanding dues to Micro, Small and Medium Enterprises, identified by the company also there is no interest due or outstanding on the same.</i>			

Note 10	Other Current Liabilities	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	(A) Current Maturities of Long-Term Debt		
	Secured		
	(a) Loans from Bank		
	Union Bank of India, Mumbai		
	i) Term Loan for Plant and Machinery *	3,714,276	3,720,000
	ii) Car Loan **	581,745	652,070
	*		
	Prime security for the loan is Plant & Machineries acquired from term loan		
	Collateral Security given 1. Factory land & Building N-44, Office Premises, Fixed		
	Deposits of company. 2. Factory land & building N-55 of subsidiary company M/s		
	Omega woven mills (P) Ltd 3. Guarantee of Directors Rakesh Shah, Apooni Shah &		
	Omega Woven Mills (P) Ltd.		
	**		
	(ii) The above loan from UBI and it is secured by vehicle only		
	(b) Loans from NBFC		
	BMW India Financial Services Pvt. Ltd.		
	i) Car Loan *	806,730	-
	* The Car Loan is secured by vehicle only.		
	Unsecured		
	(a) Loan from NBFC		
	i) Unsecured Loan from NBFC	1,700,537	1,888,112
	(B) Other Current Liabilities		
	TDS Payable	1,765,242	1,115,772
	TDS late filing fees payable	17,600	17,600
	Advance from customer	362,083	304,428
	Professional Tax Payable	201,031	199,081
	MLWF Payable	-	1,584
	Provident Fund Payable	235,965	150,972
	ESIC Payable	29,255	60,531
	GST RCM Payable	39,913	166,130
	Total Rs.	9,454,376	8,276,281

Note 11	Short Term Provisions	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Provision Others		
	(a) Provision for Salary	1,724,241	1,892,463
	(b) Audit Fees Payable	300,000	270,000
	(c) Provision For Gratuity (Refer Note 41)	599,030	459,015
	(d) Property Tax Payable	-	24,700
	Total Rs.	2,623,271	2,646,178

AMBANI ORGANICS LIMITED
N-44, MIDC, Boisar
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Note 12

Sr No.	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 01 April, 2019	Additions during the year	Delation during the	Balance as at 31 March 2020	Balance as at 01 April, 2019	Depreciatio n For the	Depreciation on Disposal	Balance as at 31 March 2020	Balance as at 31 March 2020	Balance as at 31 March 2019
A	Tangible Assets										
1	Freehold Land	80,000	-	-	80,000	-	-	-	-	80,000	80,000
2	Plant & Machinery	63,024,240	12,969,035	-	75,993,275	10,547,598	4,517,868	-	15,065,466	60,927,809	52,476,641
3	Furniture & Fixture	1,608,493	1,393,228	-	3,001,721	291,926	255,611	-	547,537	2,454,184	1,316,567
4	Building	33,811,548	-	-	33,811,548	5,700,149	1,082,578	-	6,782,727	27,028,821	28,111,399
5	Electrical Installation	4,141,859	142,500	-	4,284,359	812,988	261,849	-	1,074,837	3,209,522	3,328,871
6	Office Equipments	108,636	-	-	108,636	46,674	4,608	-	51,282	57,354	61,962
7	Motor Car	5,045,010	5,091,575	-	10,136,585	882,580	447,004	-	1,329,584	8,807,001	4,162,430
8	Computers	2,110,404	400,957	-	2,511,361	1,399,842	334,811	-	1,734,653	776,708	710,562
9	Air Conditioners	345,503	34,000	-	379,503	202,874	50,689	-	253,563	125,940	142,629
10	Mobile Phone	496,177	54,080	-	550,257	323,924	53,825	-	377,749	172,507	172,253
11	Testing Instrument	1,540,109	-	128,750	1,411,359	308,633	82,250	-	390,883	1,020,476	1,231,476
12	Scooter	117,500	-	-	117,500	35,905	11,162	-	47,067	70,433	81,595
13	Factory Shed	19,957,692	-	-	19,957,692	1,867,222	631,994	-	2,499,216	17,458,476	18,090,470
	Total (A)	132,387,171	20,085,375	128,750	152,343,796	22,420,315	7,734,249	-	30,154,564	122,189,232	109,966,856
B	Intangible Assets										
	Software	270,000	159,252	-	429,252	52,142	68,753	-	120,895	308,357	217,858
	Total (B)	270,000	159,252	-	429,252	52,142	68,753	-	120,895	308,357	217,858
C	Capital - WIP	-	16,141,126		16,141,126	-	-	-	-	16,141,126	-
	Total	132,657,171	36,385,753	128,750	168,914,174	22,472,457	7,803,002	-	30,275,459	138,638,716	110,184,714
	Previous Year's Total	121,175,310	12,981,861	1,500,000	132,657,171	16,168,655	6,303,802	-	22,472,457	110,184,714	105,006,656

Note : Deletion shown in Testing Instrument is the reversal of assets purchased in FY 2018-19.

Note 13	<u>Non Current Investment</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Long term Investments		
	Gold Coin	1,338,814	1,338,814
	Shares of Tarapur Enviornmental Protection Society	345,600	345,600
	Investment in Subsidiary company		
	Omega Woven Mills Pvt Ltd	7,462,500	7,462,500.00
	Om Maruti Glasswool & Wirenetting Products Pvt Ltd	5,600,000	5,600,000.00
	Total Rs.	14,746,914	14,746,914

Note 14	<u>Long Term Loans and Advances</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Security Deposits		
	Unsecured, considered good		
	Other deposits	667,285	1,482,163
	Loans & Advances		
	Unsecured, considered good		
	- To Subsidiary Companies	16,623,934	17,811,934
	Total Rs.	17,291,219	19,294,097

Note 15	<u>Inventories</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	(a) Raw Materials and components (Valued at cost)	68,802,714	96,136,570
	(b) Finished goods (Valued at cost or market value which ever is less)	82,339,790	60,379,492
	(c) WIP	14,335,425	14,468,095
	(d) Goods In Transit	274,048	-
	Total Rs.	165,751,977	170,984,157

Note 16

<u>Trade Receivables</u>	As at 31 March 2020	As at 31 March 2019
Rs.	Rs.	Rs.
Sundry Debtors (Unsecured, considered good)		
Debt outstanding for the period exceeding Six Months	27,260,525	20,929,014
Other Debts	204,548,026	202,737,377
Total Rs.	231,808,552	223,666,391

Note:- "Debt outstanding for the period exceeding Six Months" includes 2 parties to whom legal notice for recovery of debt amounted to Rs. 3,59,393/- has been initiated in year 2014-15 and for 4 parties amounting Rs. 15,17,051/- initiated in year 2018-19, all are in under dispute till date of signing of Financials.

Note 17

<u>Cash And Cash Equivalent</u>	As at 31 March 2020	As at 31 March 2019
Rs.	Rs.	Rs.
Cash & Cash Equivalent		
i) Cash in hand	2,183,442	1,312,432
ii) Balance with Banks		
-Current account with Scheduled Bank	1,191,820	7,562,727
iii) Buyers Credit Margin	22,225,077	24,715,961
Total Rs.	25,600,339	33,591,120

Note 18

<u>Short Term Loans And Advances</u>	As at 31 March 2020	As at 31 March 2019
Rs.	Rs.	Rs.
Other loans and advances Unsecured, Considered Good		
i. Advances Income Tax & TDS / TCS	4,848,935	5,222,685
ii. Advances to Employees	1,080,186	380,512
iii. Others	840,197	200,000
Total Rs.	6,769,318	5,803,198

Note 19

<u>Other Current Assets</u>	As at 31 March 2020	As at 31 March 2019
Rs.	Rs.	Rs.
Vat Refund Receivable	-	5,330,763
Advance given to Supplier	4,374,855	4,396,136
Advance against Expenses	1,651,120	30,259
Earnest Money Deposit (EMD)	44,000	122,000
Gratuity Fund	1,279,589	840,547
Mat Credit Entitlement	10,133,967	12,165,626
Duty Drawback Receivable	356,090	162,332
Prepaid expenses	2,633,578	635,374
GST Credit Receivable	3,055,191	12,608,954
GST Refund Receivable	2,822,584	2,720,416
Total Rs.	26,350,973	39,012,407

Note 20	Revenue From Operation	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
		Rs.	Rs.
	Domestic Sales	716,999,613	848,968,758
	Export Sales	130,402,737	78,458,480
	Total Rs.	847,402,350	927,427,238

Note 21	Other Operational Income	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
		Rs.	Rs.
	Export Incentive	2,800,932	909,948
	Foreign Exchange Gain	941,503	2,402,268
	Interest Income	1,306,351	1,110,145
	Discount received	43,364	55,299
	Total Rs.	5,092,150	4,477,660

Note 22	<u>Cost of Material Consumed</u>	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
		Rs.	Rs.
	Opening Stock	96,136,570	50,398,556
	Add : Purchase	590,903,123	726,534,141
	Less : Closing Stock	68,802,714	96,136,570
	Total Rs.	618,236,979	680,796,127

Note 23	<u>Changes in Inventories</u>	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
		Rs.	Rs.
	Closing Stock		
	Finish Goods	82,339,790	60,379,492
	Semi Finish Goods	14,335,425	14,468,095
	Goods in Transit	274,048	-
		96,949,263	74,847,587
	Opening Stock		
	Finished Goods	60,379,492	37,528,774
	Semi Finish Goods	14,468,096	4,561,502
	Goods in Transit	-	11,331,665
		74,847,588	53,421,941
	Net (Increase) / Decrease	(22,101,675)	(21,425,646)

Note 24	<u>Employee Benefit Expenses</u>	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
		Rs.	Rs.
	Salaries & Wages		
	Salaries, Wages, PF employer Contribution & Bonus	22,977,963	22,468,466
	Staff Welfare	449,521	985,248
	Director Remuneration	6,400,100	5,800,000
	Gratuity - Refer Note 41	521,014	436,092
	Total Rs.	30,348,598	29,689,806

Note 25

Financial Cost	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
	Rs.	Rs.
Bank Interest		
Interest Paid to Bank	18,521,923	21,380,960
Bank Charges		
Bank Charges	3,649,286	2,225,571
Loan Processing Charges	783,058	553,166
Interest to others		
Interest on NBFC	688,883	735,127
Total Rs.	23,643,150	24,894,824

Note 26

Other Expenses	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
	Rs.	Rs.
A. Manufacturing & Operating Expenses		
Power & Fuel (Electricity Charges)	434,580	745,727
Stores & Spare Consumed	2,009,736	901,640
Transport Charges	12,927,652	13,607,888
Agency Charges	495,251	441,448
Water Charges	511,653	407,881
Factory Expenses	754,840	613,362
Factory Rent	1,200,000	1,200,000
Packing Expenses	1,550,842	1,145,910
Clearing and Forwarding Charges	3,752,050	3,795,550
Interest Paid to Suppliers	1,483,517	395,149
Warehousing Charges	218,779	1,011,218
Loading and Unloading Exp	977,871	359,526
Total Manufacturing & Operating Expenses	26,316,770	24,625,298
B. Selling and Distribution Expenses		
Commission Brokerage	8,993,141	7,780,436
Business Promotion Expense	2,576,790	1,470,348
Advertisement	3,780	35,000
Inland Travelling	289,425	181,157
Discount	96,790	-
Total Selling and Distribution Expenses	11,959,926	9,466,941
C. General Expenses		
Miscellaneous Expenses	97,618	19,884
Sundry Balance Written Off	153,346	1,559,689
Interest on payment of statutory dues	681,680	377,653
Total Genral Expenses	932,644	1,957,225
D. Establishment Expenses		
Postage & Courier	610,814	403,057
Professional Charges	3,084,631	3,650,128
Security Charges	1,036,124	698,157
Stationery Expenses	320,169	488,249
Auditors Remuneration	330,000	300,000
Repair & Maintanance	1,684,787	1,422,384
Donation	88,293	5,000
Membership & Subscription	469,058	345,856
Office Expenses	163,704	615,851
Insurance	1,210,629	1,224,546
Conveyance Expenses	303,125	233,343
Telephone and Internet Expenses	399,522	388,871
Electricity Expenses	1,931,761	1,684,837
Motor Car Expenses	200,900	107,593
Rent, Rate & Taxes	262,178	1,058,343
Lab Expenses	529,603	663,300
Software Expenses	50,485	139,880
Vat Expenses	-	816,057
License Fees	253,898	232,210
Sundry Balance W/off	252,183	-
Total Establishment Expenses	13,181,863	14,477,661
Total Rs.(A+B+C+D)	52,391,203	50,527,125

Note :- Research and Development Expenditure included in the Statement of Profit & Loss:-

Salaries, PF employer Contribution & Bonus	4,547,134	4,547,134
Rent, Rate & Taxes	11,000	11,000
Lab Expenses	663,300	663,300
Staff Welfare	110,003	95,655
Postage & Telegram	64,000	64,000
Material Cost	1,542,564	1,117,800
Packing Material	751,896	637,200
Total Rs.	7,689,897	7,136,089

Note 27

<u>Exceptional Items</u>	For the Period Ended 31st March 2020	For the Period Ended 31st March 2019
	Rs.	Rs.
Export Obligation Liability	-	3,602,661
Prior Period Expenses	1,313,033	-
Total Rs.	1,313,033	3,602,661

Note 28 Contingent Liabilities:

Sr. No	Particular	2019-20	2018-19
(i)	Claims against the company not acknowledged	NIL	NIL
(ii)	Commitments, Estimated amount of contracts remaining to be executed on capital	-	-
(iii)	TDS default liabilities are showing on TRACES website.	185,980	130,675

Note: The Income-tax assessment of the Company has been completed up-to assessment year 2018-19, The Company has been demanded to pay a tax liability of Rs. 8,869 ,Rs.17,238 and Rs.16,224/- for the A.Y. 2011-12, 2012-13 and 2013-14 respectively and same has been not paid.

Note 29 Balances of Sundry Debtors, Sundry Creditors Assets, Loans & Advances and Deposits as on 31/3/2020 either debit or credit are subject to confirmation, reconciliation and adjustments, if any.

Note 30 In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated in the Balance Sheet which would be realized in the ordinary course of business.

Note 31 The Board of Directors has waived off the board Meeting fees.

Note 32 Figures of the previous year have been regrouped / reclassified, wherever necessary to make them comparable with the figures under review.

Note 33 Segment Reporting as per AS-17

- a. The Organization been processor,importer,supplier and exporter of Chemical & Dyes used in the Painting and Textile industry, which have similar risk and returns and also similar market conditions of demand and supply. All other activities of the company revolve around the main business; as such there are inherent natures of these activities are governed by the same set of risk and returns; these have been grouped as a single segment. The company does not have any other reportable as defined under the Accounting Standard 17 (AS-17) for segment reporting.
- b. Geographical Segments as secondary segment: (Amount In Rs.)

Particular	2019-20	2018-19
Exports (Including duties & Taxes)	130,402,737	78,458,480
India (Including duties & Taxes)	716,999,613	848,968,758
Total	847,402,350	927,427,238

Note 34 Particulars of Remuneration to Statutory Auditors

(Amount In Rs.)

Particular	2019-20	2018-19
Audit Fees (Excluding Taxes)	230,000	200,000
Tax Audit (Excluding Taxes)	100,000	100,000
Fees for Certification Charges	33,040	74,340

Note 35 Details of Component of Raw material consumed

Particular	2019-20		2018-19	
	Value	Percentage	Value	Percentage
Indigenous	448,896,304	72.61%	475,483,854	69.84%
Imported	169,340,675	27.39%	205,298,367	30.16%
Total	618,236,979	100.00%	680,782,221	100.00%

Note 36 Value of Imports and Exports

Particular	2019-20	2018-19
Value of Imports on CIF Basis	169,340,675	205,298,367
Value of Exports on FOB Basis	130,402,737	78,458,480

Note 37 Expenditure In Foreign Currency

Particular	2019-20	2018-19
Commission	746,398	73,730

Note 38 Earning Foreign Exchange

Particular	2019-20	2018-19
Towards Export of goods	112,938,127	65,242,990

Note 39 Disclosure of related parties (As required by AS-18 Related party disclosure)

List of key management personnel:

Sr. No.	Name of the Individual	Designation
1	Mr Rakesh Shah	Key Management
2	Mrs Apooni Shah	Key Management
3	Mr Sharad Kothari	Key Management
4	Mr Aashay R Shah	Relative of Key Management
5	Mr. Bhavesh Pandya	Chief Financial Officer (CFO)
6	Mr. Paresh Shah	Chief Executive Officer (CEO)
7	Mrs. Neha Shah	Wife of Chief Executive Officer (CEO)

List of Subsidiary Company :-

Sn.	Name	Relation
1	Omega Woven Mills Pvt Ltd	Subsidiary Company
2	Om Maruti Glasswool & Wirenetting Products Pvt Ltd	Subsidiary Company

Disclosure of related party transaction (During the year):

(Amount in Rs.)

Sr.No.	Nature of transaction	Subsidiary Company	Key Management	Relative of Key Management/ Associate	Total
1	Salary	-	10,352,400	1,777,200	12,129,600
		-	(7,017,677)	(1,449,621)	(8,467,298)
2	Unsecured Loan Received	-	1,300,000	-	1,300,000
		-	(1,380,418)	-	(1,380,418)
3	Unsecured Loan Repayment	-	2,312,618	-	2,312,618
		-	(2,467,800)	-	(2,467,800)
4	Unsecured Loan given	-	-	-	-
		(1,818,279)	-	-	(1,818,279)
5	Factory Rent Paid	1,200,000	-	-	1,200,000
		(1,200,000)	-	-	(1,200,000)
6	Amount Received Back Against Loan	1,188,000	-	-	1,188,000
		(1,200,000)	-	-	(1,200,000)

Note- Figure in bracket represents last year data.

Detail of transaction with Subsidiary company :-

No	Name	Unsecured Loan given	Rent Paid	Amount Received Back Against Loan
1	Omega Woven Mills Pvt Ltd	-	600,000	540,000
2	Om Maruti Glasswool & Wirenetting Products Pvt Ltd	-	600,000	648,000
TOTAL		-	1,200,000	1,188,000

Detail of Salary and interest given to key managerial personnel:

(Amount in Rs.)

No	Name	Salary	Unsecured Loan Received	Unsecured Loan Repayment
1	Mr. Rakesh Shah	4,800,000	1,100,000	1,332,379
2	Mrs. Apooni Shah	4,200,000	-	-
3	Mr. Sharad Kothari	582,000	-	-
4	Mr Aashay R Shah	1,500,000	200,000	980,239
5	Mr. Bhavesh Pandya	435,600	-	-
6	Mr. Paresh Shah	334,800	-	-
7	Mrs. Neha Shah	277,200	-	-
Total Rs.		12,129,600	1,300,000	2,312,618

Disclosure of outstanding amount at year end:

(Amount in Rs.)

No	Name	Type of Transaction	Amount
1	Mrs. Apooni Shah	Unsecured Loan Received	1,954,995
2	Omega Woven Mills Pvt Ltd	Unsecured Loan Given	7,004,547
3	Om Maruti Glasswool & Wirenetting Products Pvt Ltd	Unsecured Loan Given	9,619,387

Note 40 Deferred Tax

In compliance with the Accounting Standard 22 relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountant of India, the deferred tax liability accruing during the year has been recognized in the Profit and Loss Account.

Major components of the Deferred Tax Liability/Asset are as follows:-

(Amount in Rs.)

Particulars	Balance as on April 1, 2019 (DTA)	Arising during the year (P&L)	Balance carried forward (DTA)
Deferred Tax liability/Asset on account of timing difference in depreciation	5,791,626	1,276,179	7,067,805
Total	5,791,626	1,276,179	7,067,805

Note 41 Disclosure as per AS 15 for Gratuity Liability

Defined Contribution Plans Amount of Rs. 1212588 (PY Rs. 691786) towards Provident Fund is recognized as an expenses & included in "Salaries, PF employer Contribution & Bonus" in Profit & Loss.

Defined Benefits plan and short term Employee benefits

Gratuity (Defined Benefits Plan)

The Company has a defined benefit gratuity plan. Every Employee who has completed Five years of service get a gratuity on death or resignation or retirement at 15 days of salary (last drawn salary) for each completed year of service. The Gratuity has been provided on the basis of valuation provided by the actuary based on Projected Unit Credit Method.

Date of Valuation	1-Mar-20
Number of Member	91
Average Age	34
Average Monthly Salary	10,481
Average Past Service	4
Mortality Rate	LIC (2006-08)
Withdrawal Rate	1% to 3% depending
Discount Rate	7.25% P.A.
Salary Escalation	4.00%

Result of Valuation

PV Of Past Service Benefit	2,084,640
Fund Value as on Renewal Date	1,279,589
Current Service Cost	521,014

Particular	31st March 2020
Gratuity Provision - Non Current	1,797,088
Gratuity Provision -Current	599,030

Signature to Note No. 1 to 41 forming part of the Balance Sheet and Statement of Profit & Loss.

As per our audit report of even date.

As per our Report of even date
For Shambhu Gupta & Co.
FRN No.:- 007234C
Chartered Accountants

For and on behalf of Board of Directors of
AMBANI ORGANICS LIMITED

SD/ -

SD/ -

SD/ -

CA. Rajkumar Khatod
Partner
Membership No. 133612
UDIN :- 20133612AAAAEN1722

Mr. Rakesh Shah
Director
DIN No. 00503074

Mrs. Apooni Shah
Director
DIN No. 00503116

Place :- Mumbai
Dated :- July 17th, 2020

SD/ -

SD/ -

Mr. Bhavesh Pandya
Chief Financial Officer

Ms. Richa Chokhani
Company Secretary

Independent Auditors' Report

To,
The Members of Ambani Organics Limited

Opinion

We have audited the Consolidated financial statements of Ambani Organics Limited and its subsidiaries **Omega Woven Mills Private Limited and Om Maruti Glasswool & wirenetting Products Private Limited** (collectively referred to as "group"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss and statement of cash flows for the year then ended March 2020, and a summary of the significant accounting policies and other explanatory information (herein referred to as "financial Statement").

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2020, and its profit, and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matter:

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

Key Audit Matter	How our Audit addressed the Key Audit Matter
<p>Valuation of Inventories</p> <p><i>We refer of financial statement's accounting principles on inventories and related disclosure in the Note 15.</i></p> <p>At the Balance sheet date, the value of inventory amounted to INR 16.57 Crores. Inventories were considered as a key audit matter due to the size of balance and because inventory valuation involves management judgment. According to Financial statement inventories are measured at the lower of cost</p>	<p>To Address the risk for material error on inventories, our audit procedure included amongst other:-</p> <ul style="list-style-type: none">Assessing the compliance of company's accounting policies over inventory with applicable accounting standards.

of NRV.	<ul style="list-style-type: none"> Assessing the inventory valuation processes and practices. At Location we tested the effectiveness of the key controls. Assessing the analyses and assessment made by management with respect to slow moving and obsolete stock. <p>We assessed the adequacy of the company's disclosure related to inventory.</p>
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the Company's financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation 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 Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (a) The Company does not have any pending litigations which would impact its financial position.
 - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Shambhu Gupta & Co.

Chartered Accountants

Firm Registration Number: 007234C

SD/-

CA. Rajkumar Khatod

Partner

Membership No: 133612

UDIN: - **20133612AAAAEO6712**

Place: Mumbai

Date: July 17th, 2020

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT REFERRED TO IN PARAGRAPH 2(F) UNDER THE HEADING “REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of the Company as of 31 March 2020 in conjunction with our audit of the standalone financial statements “Ambani Organics Limited “ (the Holding Company) and its subsidiary which is incorporated in India as on that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary company are 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Because the matter described in Disclaimer of opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on Internal Financial Controls over Financial Reporting of the company.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company 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 provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Shambhu Gupta & Co.

Chartered Accountants

Firm Registration Number: 007234C

SD/-

CA. Rajkumar Khatod

Partner

Membership No: 133612

UDIN: - [20133612AAAAEO6712](#)

Place: Mumbai

Date: July 17th, 2020

Consolidated Balance Sheet as at 31st March 2020

Particulars	Note No	Year Ended 31.03.2020	Year Ended 31.03.2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	50,786,590	50,786,590
(b) Reserves and Surplus	3	117,503,033	103,671,151
(c) Minority Interest		1,293	-
(2) Non-Current Liabilities			
(a) Long-term Borrowings	4	19,021,902	18,512,002
(c) Other Long term Liabilities	5	75,315,095	55,344,795
(b) Deferred tax liabilities (Net)	6	6,946,879	3,646,945
(d) Long-term Provision	7	5,605,735	6,466,511
(3) Current Liabilities			
(a) Short-term borrowings	8	173,489,435	122,864,203
(b) Trade payables	9	163,472,303	241,514,890
(c) Other current liabilities	10	9,454,377	8,276,281
(d) Short-term provisions	11	2,703,270	2,726,178
Total		624,299,910	613,809,546
II.ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		130,436,629	118,628,116
(ii) Intangible assets		16,009,080	15,918,581
(iii) CWIP		16,141,126	-
(b) Non-current investments	13	2,001,584	2,001,584
(c) Long term loans and advances	14	679,435	1,494,313
(d) Deferred Tax Assets (Net)	6	-	-
(d) Other non-current assets		-	-
(2) Current assets			
(a) Inventories	15	165,751,977	170,984,157
(b) Trade receivables	16	233,645,819	225,503,658
(c) Cash and cash equivalents	17	25,893,474	33,879,034
(d) Short-term loans and advances	18	7,009,318	5,923,197
(e) Other current assets	19	26,731,468	39,476,906
Total		624,299,910	613,809,546
Significant accounting policies	1 to 41		
Notes to the consolidated financial statements			

As per our Report of even date
For Shambhu Gupta & Co.
FRN No.:- 007234C
Chartered Accountants

sd/-

CA. Rajkumar Khatod
Partner
Membership No. 133612
UDIN:- 20133612AAAAEO6712

Place :- Mumbai
Dated :- July 17, 2020

For and on behalf of Board of Directors of
AMBANI ORGANICS LIMITED

sd/-

Mr. Rakesh Shah
Director
DIN No. 00503074

sd/-

Mr. Bhavesh Pandya
Chief Financial Officer

sd/-

Mrs. Apooni Shah
Director
DIN No. 00503116

sd/-

Ms. Richa Chokhani
Company Secretary

AMBANI ORGANICS LIMITED

N-44, MIDC, Boisar

CIN:- U24220MH1985PLC036774

Consolidated Profit and Loss statement for the year ended 31st March, 2020

Particulars	Note No.	Year Ended 31.03.2020	Year Ended 31.03.2019
I. Revenue from operations	20	847,402,350	929,888,689
Less:- Duties & Taxes		118,688,751	132,794,222
Net Revenue from operations		728,713,599	797,094,467
II. Other Operational Income	21	5,092,150	4,480,054
III. Total Revenue		733,805,750	801,574,521
<u>IV. Expenses:</u>			
Cost of materials consumed	22	618,236,979	680,796,127
Changes in inventories of finished goods and Stock-in-Trade	23	(22,101,675)	(21,425,646)
Employee benefit expense	24	30,348,598	29,689,806
Financial costs	25	23,647,844	24,894,826
Depreciation and amortization expense		8,216,865	6,749,414
Other expenses	26	51,278,478	53,260,737
IV Total Expenses		709,627,089	773,965,264
V. Profit before exceptional and extraordinary items and tax	(III - IV)	24,178,660	27,609,256
VI. Exceptional items	27	1,313,033	3,602,661
VII Profit before extraordinary items and tax	(V - VI)	22,865,627	24,006,595
VIII. Extraordinary Items		-	-
IX. Profit before tax	(VIII-IX)	22,865,627	24,006,595
X. Tax expense:			
(1) Current tax		3,808,647	5,089,464
(2) Mat Credit Entitlement		1,923,872	(5,089,464)
(3) Tax adjustment of earlier year		-	-
(3) Deferred tax		3,299,934	6,739,836
XI. Profit/(Loss) before Minority Interest	(IX-X)	13,833,175	17,266,759
XII. Minority Interest		1,293	-
XIII. Profit/(Loss) transfer to Reserve & Surplus	(XI-XII)	13,831,882	17,266,759
XIV. Earning per equity share:			
Basic EPS (In Rs.)		2.72	3.40
Diluted EPS (In Rs.)		2.72	3.40
Significant Accounting Policies	1 to 41		
Notes on Financial Statements			

As per our Report of even date

For Shambhu Gupta & Co.

FRN No.:- 007234C

Chartered Accountants

sd/-

CA. Rajkumar Khatod

Partner

Membership No. 133612

UDIN:-20133612AAAAEO6712

Place :- Mumbai

Dated :- July 17, 2020

For and on behalf of Board of Directors of

AMBANI ORGANICS LIMITED

sd/-

Mr. Rakesh Shah

Director

DIN No. 00503074

sd/-

Mr. Bhavesh Pandya

Chief Financial Officer

sd/-

Mrs. Apooni Shah

Director

DIN No. 00503116

sd/-

Ms. Richa Chokhani

Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2020

	Particulars	Year ended on 31.03.2020	Year ended on 31.03.2019
A	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
	Net Profit before tax and before extraordinary items	22,865,627	24,006,595
	<u>Adjustments for : -</u>		
	Depreciation	8,216,865	6,749,414
	Interest Expenses	19,210,805	22,116,087
	Initial Public offer Expenses	-	(5,378,621)
	Interest Income	(1,306,351)	(2,404,662)
	Operating profit before working capital changes	48,986,946	45,088,813
	<u>Adjustments for : -</u>		
	Inventories	5,232,180	(67,163,659)
	Short term provisions	(22,908)	927,715
	Short term borrowings	50,625,231	(1,883,209)
	Other Current Liabilities	1,178,096	(20,027)
	Other Current Assets	10,821,566	8,185,548
	Trade and other receivables	(8,142,161)	(41,684,201)
	Long term Provision	(4,669,423)	1,167,455
	Other Long term Liabilities	19,970,300	10,065
	Long term Loans and Advances	814,878	(928,181)
	Short term Loans and Advances	4,002,816	(1,487,689)
	Trade Payables	(78,042,587)	47,367,760
	Net (Increase)/Decrease in Working Capital	1,767,988	(55,508,423)
	Cash generated from / (used in) Operating Activities		
	Taxes (Paid) (including TDS)	5,088,935	5,342,685
	Net Cash from operating activities	45,665,999	(15,762,295)
B	<u>Cash Flow from Investing Activities:</u>		
	Purchase of fixed assets	(36,257,003)	(13,363,581)
	Sale of Fixed assets	-	1,500,000
	Interest Received	1,306,351	2,404,662
	Net Cash used in investment activities	(34,950,653)	(9,458,918)
C	<u>Cash Flow from Financing Activities:</u>		
	Equity Share Issued	-	12,680,000
	Securities Premium Received	-	71,008,000
	Proceeds / (Repayment) of Long-term Borrowings	509,900	(10,248,216)
	Interest Paid	(19,210,805)	(22,116,087)
		(18,700,906)	51,323,697
	Net Increase / (Decrease) in Cash and Cash Equivalents	(7,985,560)	26,102,482
	Opening Balance Cash & Cash Equivalents	33,879,034	7,776,552
	Closing Balance Cash & Cash Equivalents	25,893,474	33,879,034

Consolidated Cash Flow Statement for the year ended 31st March, 2020

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2 Cash and Cash Equivalent at the end of the year consist of cash in hand and balances with banks, fixed deposit from banks and buyers margin.

As per our Audit Report of even date

As per our Report of even date
For Shambhu Gupta & Co.
FRN No.:- 007234C
Chartered Accountants

sd/-

CA. Rajkumar Khatod
Partner
Membership No. 133612
UDIN:- 20133612AAAAEO6712

Place :- Mumbai
Dated :- July 17, 2020

For and on behalf of Board of Directors of
AMBANI ORGANICS LIMITED

sd/-

Mr. Rakesh Shah
Director
DIN No. 00503074

sd/-

Mrs. Apooni Shah
Director
DIN No. 00503116

sd/-

Mr. Bhavesh Pandya
Chief Financial Officer

sd/-

Ms. Richa Chokhani
Company Secretary

NOTE NO. 1: SIGNIFICANT ACCOUNTING POLICIES

Background & General Information

Our Company was incorporated as Ambani Organics Limited on 08th July 1985 under the companies Act, 1956 bearing registration no. 036774 and having its registered office in Boisar, Tarapur Maharashtra. Subsequently, the status of company was changed to a public limited company and the name of our company was changed to Ambani Organics Limited vide special resolution dated March 07, 2018. A fresh certificate of incorporation consequent upon change of name was issued on March 07, 2018 by the Registrar of Companies, Mumbai, Maharashtra, further company listed the share on NSE on 18th July 2018.

Ambani Organics Limited is a chemical manufacturing company with manufacturing and Processor, Importer, Supplier and Exporter of Chemical & Dyes used in Painting and Textile Industry.

A. Basis for Consolidation

The Consolidated Financial Statements comprise the individual financial statements of the Company and its subsidiary as on March, 31 2020 and for the year ended on that date. The consolidated financial statements have been prepared on the following basis:-

(a) The financial statements of the Company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" as notified by the Companies (Accounting Standards) Rules, 2006.

(b) The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company, i.e. March 31, 2020.

(c) Investments in subsidiaries are eliminated and differences between the cost of investment over the net assets on the date of investment in subsidiaries are recognised as Goodwill or Capital Reserve, as the case may be.

(d) Minority Interest's share of net profit or loss of subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the Equity Shareholders of the Company.

(e) **Minority Interest's share of net assets** of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet as a separate item from liabilities and the Shareholders' Equity.

(f) The Consolidated Financial Statements are prepared using **uniform Accounting Policies** for like transactions and other events in similar circumstances and are presented in the same manner as the standalone financial statements of the Company.

The Subsidiaries in the Consolidated Financial Statements are as under:

Name of the entity	Proportion of ownership interest March 2020
Subsidiary	
Omega Woven Mills Private Limited	99.50%
Om Maruti Glasswool & Wirenetting Products Private Ltd	99.86%

Note on COVID-19

As per Management current assessment no significant impact on carrying amount of inventories, trade receivable, Investments and other financial assets is expected and management will continue to monitor changes in further economic conditions. The eventual outcome of the impact of the global health pandemic maybe different from those estimated as on the date of approval of these Financial Statement.

B. Use of Estimates

The preparation of consolidated financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

C. Fixed Assets & Depreciation

Fixed assets are stated at cost inclusive of value added tax less accumulated depreciation and impairment loss, if any. All costs including financing costs till commencement of commercial production. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on fixed assets is provided on straight line method using the life of assets based on the useful lives provided by the Schedule II of Companies Act 2013.

Depreciation on assets acquired / disposed off during the year has been provided on a pro-rata basis from the date of addition or up to the date of disposal as applicable.

There is no difference in life of assets as prescribed in schedule II of Companies Act 2013 and in our working.

D. Revenue Recognition

Sales are exclusive of Duties & Taxes. Sales are recognized when significant risk and rewards of ownership of goods are passed on to customers. Sales tax incentives are recognized as income as and when the amounts of incentive are confirmed by the respective officers.

E. Investments

Current investments are carried at lower of cost and quoted/ fair market value, compared category wise. Long term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than a temporary.

F. Inventories

Inventories are valued at:

1. Raw Materials, Stores & Spare Parts: At Cost (FIFO).
2. Finished Goods: The cost is determined by taking material, labour & related factory overheads. The company follows exclusive method for valuation of stock. It is valued at lower of Cost or net reliable value.
3. Consumable Stores : At Cost (FIFO)

G. Impairment of Assets.

The carrying amount of assets is reviewed at each Balance-sheet date if there is an indication of impairment based on the internal and external factors. An impairment loss if any is charged to Statement of Profit & Loss in the year in which the amount is identified as impaired. There are no assets which can be termed is impaired asset during the year.

H. Employee Benefits

Short term employee benefits and contribution to defined contribution plans are recognized as an expense on accrual at the undiscounted amount in the Statement of Profit and Loss. Other long term employee benefits in the nature of gratuity are accounted on Cash basis and computed in accordance with the policy of the company in the said regard.

I. Foreign Currency Transaction

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the rate of the transactions. Monetary items denominated in foreign currency at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rates and rate on the date of the contract recognized as exchange difference and the premium paid on forward contract is recognized over the life of the contract.

J. Provision for Current and Deferred Tax

Provision for taxation is made on the basis of the taxable profits computed for the current accounting year in accordance with the provision contained in the Income-tax Act, 1961. Provision is also made for the deferred tax assets arising due to C/F losses & deferred tax liability arising due to the timing difference between profit computed as per the Income-tax and the financial statements. Net Deferred tax Assets resulting from the timing difference & losses are expected to crystallize in the future.

NOTES ON ACCOUNTS

Note 2.a Disclosure of Share Capital

<u>Share Capital</u>	As at 31 March 2020		As at 31 March 2019	
	Number	Rs.	Number	Rs.
<u>Authorised</u> Equity Shares Of Rs. 10/- Each	7,000,000	70,000,000	7,000,000	70,000,000
<u>Issued, Subscribed & Paid up</u> Equity Shares of Rs. 10/- each fully Paid	5,078,659	50,786,590	5,078,659	50,786,590
Total Rs.	5,078,659	50,786,590	5,078,659	50,786,590

Note 2.b Disclosure related to Outstanding share detail

<u>Particulars</u>	As at 31 March 2020		As at 31 March 2019	
	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the begining of the year	5,078,659	50,786,590	3,810,659	38,106,590
Shares Issued during the year	-	-	1,268,000	12,680,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,078,659	50,786,590	5,078,659	50,786,590

Note 2.c Details of the Shareholding more than 5%

<u>Name of Shareholder</u>	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	% of Holding	No. of Shares	% of
Rakesh Shah	3,364,721	66.25	3,364,721	66.25
Apooni Shah	314,738	6.20	314,738	6.20

Note 3

Reserves & Surplus	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
Securities Premium Account		
Opening Balance	73,902,410	2,894,410
Add : Securities premium credited on Share issue	-	71,008,000
Closing Balance	73,902,410	73,902,410
Profit and loss Account		
Opening balance	29,768,741	17,880,603
(-) Initial Public offer Expenses	-	5,378,621
(+) Net Profit/(Net Loss) For the current year	13,831,882	17,266,759
Closing Balance	43,600,623	29,768,741
Total Rs.	117,503,033	103,671,151

Note 4

Long Term Borrowings	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
Secured		
(a) Loans from Banks		
Union Bank of India		
i) Term Loan for Plant and Machinery *	7,550,912	10,264,684
ii) Car Loan **	311,865	847,792
*		
(i) The above loan from UBI and debts are secured by first mortgage of Plant & machinery's purchased from this loan and personal guarantee of directors and payable in 84 monthly installment of Rs.3,10,000/- Starting from month of March,2016.		
**		
(ii) The Car Loan from UBI and it is secured by vehicle only.		
(b) Loans from NBFC		
BMW India Financial Services Pvt. Ltd.		
i) Car Loan *	3,639,615	-
* The Car Loan is secured by vehicle only.		
A	11,502,392	11,112,476
Unsecured		
a) Intercompany Loans	3,712,500	3,712,500
b) From Directors	1,964,995	2,967,613
c) Unsecured Loan from NBFC	1,842,015	719,414
B	7,519,510	7,399,527
Total (A+B)	19,021,902	18,512,002

Note 5	Other Long term Liabilities	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Other Long term Liabilities		
	a) Other Long Term Liabilities	75,315,095	55,344,795
	Closing Balance	75,315,095	55,344,795

Note 6	Deferred Tax Liability/(Assets)	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Opening Deferred Tax Assets	3,646,945	(3,092,891)
	For Current Year (P&L)	(3,299,934)	6,739,836
	Closing Balance	6,946,879	3,646,945

Note 7	Long-term Provision	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Provision for Tax	3,808,647	5,089,464
	Provision for Gratuity -Refer Note 41	1,797,088	1,377,047
	Total	5,605,735	6,466,511

Note 8	Short Term Borrowings	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Secured		
	(a) Loans Repayable on Demand - Working Capital Loan Union Bank of India, Mumbai.	125,668,918	122,814,203
	(b) Buyers Credit	47,770,516	-
	Above loans are secured as follows: Prime security for the loan is Stock & Book Debts Collateral Security given 1. Factory land & Building N-44, Office Premises, Fixed Deposits of company. 2. Factory land & building N-55 of subsidiary company M/s Omega woven mills (P) Ltd 3. Guarantee of Directors Rakesh Shah, Apooni Shah & Omega Woven Mills (P) Ltd.		
	Other Loans and Advances Others.	50,000	50,000
	Total Rs.	173,489,435	122,864,203

Note 9	Trade Payables	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Sundry Creditors		
	(a) Sundry Creditors for goods & Service	163,472,303	241,514,890
	Total Rs.	163,472,303	241,514,890
<i>As at March 31, 2020 there are no outstanding dues to Micro, Small and Medium Enterprises, identified by the company also there is no interest due or outstanding on the same.</i>			

Note 10	Other Current Liabilities	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	(A) Current Maturities of Long-Term Debt		
	Secured		
	(a) Loans from Bank		
	Union Bank of India, Mumbai		
	i) Term Loan for Plant and Machinery *	3,714,276	3,720,000
	ii) Car Loan **	581,745	652,070
	*		
	Prime security for the loan is Plant & Machineries acquired from term loan		
	Collateral Security given 1. Factory land & Building N-44, Office Premises, Fixed		
	Deposits of company. 2. Factory land & building N-55 of subsidiary company M/s		
	Omega woven mills (P) Ltd 3. Guarantee of Directors Rakesh Shah, Apooni Shah &		
	Omega Woven Mills (P) Ltd.		
	**		
	(ii) The above loan from UBI and it is secured by vehicle only		
	(B) Loans from NBFC		
	BMW India Financial Services Pvt. Ltd.		
	i) Car Loan *	806,730	-
	* The Car Loan is secured by vehicle only.		
	Unsecured		
	(a) Loan from NBFC		
	i) Unsecured Loan from NBFC	1,700,537	1,888,112
	(B) Other Current Liabilities		
	TDS Payable	1,765,242	1,115,772
	TDS late filing fees payable	17,600	17,600
	Advance from customer	362,083	304,428
	Professional Tax Payable	201,031	199,081
	MLWF Payable	-	1,584
	Provident Fund Payable	235,965	150,972
	ESIC Payable	29,255	60,531
	GST RCM Payable	39,913	166,130
	Total Rs.	9,454,377	8,276,281

Note 11	Short Term Provisions	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Provision Others		
	(a) Provision for Salary	1,724,240	1,892,463
	(b) Audit Fees Payable	380,000	350,000
	(c) Provision For Gratuity (Refer Note 41)	599,030	459,015
	(d) Property Tax Payable	-	24,700
	Total Rs.	2,703,270	2,726,178

AMBANI ORGANICS LIMITED
N-44, MIDC, Boisar
CIN:- U24220MH1985PLC036774

Note 12

Sr No.	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 01 April, 2019	Additions during the year	Delation during the	Balance as at 31 March 2020	Balance as at 01 April, 2019	Depreciation For the Year	Depreciation on Disposal	Balance as at 31 March 2020	Balance as at 31 March 2020	Balance as at 31 March 2019
A	Tangible Assets										
1	Freehold Land	510,740	-	-	510,740	-	-	-	-	510,740	510,740
2	Plant & Machinery	65,969,739	12,969,035	-	78,938,774	10,789,082	4,709,720	-	15,498,802	63,439,972	55,180,657
3	Furniture & Fixture	1,616,043	1,393,228	-	3,009,271	299,099	255,611	-	554,710	2,454,561	1,316,944
4	Building	39,497,034	-	-	39,497,034	6,624,918	1,235,250	-	7,860,167	31,636,867	32,872,116
5	Electrical Installation	5,189,310	142,500	-	5,331,810	1,144,538	331,188	-	1,475,727	3,856,083	4,044,772
6	Office Equipments	108,636	-	-	108,636	46,674	4,608	-	51,282	57,354	61,962
7	Motor Car	5,519,081	5,091,575	-	10,610,656	1,317,573	447,004	-	1,764,577	8,846,079	4,201,508
8	Computers	2,227,516	400,957	-	2,628,473	1,511,098	334,811	-	1,845,909	782,565	716,418
9	Air Conditioners	345,503	34,000	-	379,503	202,874	50,689	-	253,563	125,941	142,629
10	Mobile Phone	510,008	54,080	-	564,088	335,666	53,825	-	389,491	174,596	174,342
11	Testing Instrument	1,540,109	-	128,750	1,411,359	308,633	82,250	-	390,883	1,020,476	1,231,476
12	Scooter	117,500	-	-	117,500	35,905	11,162	-	47,067	70,433	81,595
13	Factory Shed	19,957,692	-	-	19,957,692	1,867,222	631,994	-	2,499,216	17,458,476	18,090,470
14	Xerox Machine	49,725	-	-	49,725	47,239	-	-	47,239	2,486	2,486
	Total (A)	143,158,637	20,085,375	128,750	163,115,262	24,530,521	8,148,112	-	32,678,633	130,436,629	118,628,116
B	Intangible Assets										
	Goodwill on Cosolidation	15,700,723	-	-	15,700,723	-	-	-	-	15,700,723	15,700,723
	Software	270,000	159,252	-	429,252	52,142	68,753	-	120,895	308,357	217,858
	Total (B)	15,970,723	159,252	-	16,129,975	52,142	68,753	-	120,895	16,009,080	15,918,581
C	Capital - WIP	-	16,141,126		16,141,126	-	-	-	-	16,141,126	-
	Total	159,129,360	36,385,753	128,750	195,386,363	24,582,663	8,216,865	-	32,799,528	162,586,835	134,546,697
	Previous Year's Total	147,265,779	13,363,581	1,500,000	159,129,360	17,833,248	6,749,414	-	24,582,663	134,546,697	129,432,530

Note : Deletion shown in Testing Instrument is the reversal of assets purchased in FY 2018-19.

Note 13	<u>Non Current Investment</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Long term Investments		
	Gold Coin	1,338,814	1,338,814
	Shares of Tarapur Enviornmental Protection Society	652,800	652,800
	Maharastra State Electricity Board Bond	9,970	9,970
	Total Rs.	2,001,584	2,001,584

Note 14	<u>Long Term Loans and Advances</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Security Deposits		
	Unsecured, considered good		
	Other deposits	679,435	1,494,313
	Total Rs.	679,435	1,494,313

Note 15	<u>Inventories</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	(a) Raw Materials and components (Valued at cost)	68,802,714	96,136,570
	(b) Finished goods (Valued at cost or market value which ever is less)	82,339,790	60,379,492
	(c) WIP	14,335,425	14,468,095
	(d) Goods In Transit	274,048	-
	Total Rs.	165,751,977	170,984,157

Note 16

<u>Trade Receivables</u>	As at 31 March 2020	As at 31 March 2019
Rs.	Rs.	Rs.
Sundry Debtors (Unsecured, considered good)		
Debt outstanding for the period exceeding Six Months	29,097,792	26,766,280
Other Debts	204,548,027	198,737,378
Total Rs.	233,645,819	225,503,658

Note 17

<u>Cash And Cash Equivalent</u>	As at 31 March 2020	As at 31 March 2019
Rs.	Rs.	Rs.
Cash & Cash Equivalent		
i) Cash in hand	2,328,840	1,457,830
ii) Balance with Banks		
-Current account with Scheduled Bank	1,312,920	7,688,606
iii) Fixed Deposit	26,637	16,637
iv) Buyers Credit Margin	22,225,077	24,715,961
Total Rs.	25,893,474	33,879,034

Note 18

<u>Short Term Loans And Advances</u>	As at 31 March 2020	As at 31 March 2019
Rs.	Rs.	Rs.
Other loans and advances Unsecured, Considered Good		
i. Advances Income Tax & TDS / TCS	5,088,935	5,342,685
ii. Advances to Employees	1,080,186	380,512
iii. Others	840,197	200,000
Total Rs.	7,009,318	5,923,197

Note 19

<u>Other Current Assets</u>	As at 31 March 2020	As at 31 March 2019
Rs.	Rs.	Rs.
Vat Refund Receivable	-	5,330,763
Advance given to Supplier	4,374,855	4,487,136
Earnest Money Deposit (EMD)	44,000	122,000
Gratuity Fund	1,279,589	840,547
Advance against Expenses	1,651,120	30,259
Mat Credit Entitlement	10,241,754	12,165,626
Duty Drawback Receivable	356,090	162,332
Prepaid expenses	2,633,579	635,374
GST Credit Receivable	3,327,898	12,982,453
GST Refund Receivable	2,822,584	2,720,416
Total Rs.	26,731,468	39,476,906

Note 20	Revenue From Operation	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Domestic Sales	716,999,613	851,430,208
	Export Sales	130,402,737	78,458,480
	Total Rs.	847,402,350	929,888,689

Note 21	Other Operational Income	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Export Incentive	2,800,932	-
	Foreign Exchange Gain	941,503	909,948
	Interest Income	1,306,351	2,404,662
	Discount received	43,364	1,110,145
	Sundry Balance Written Off	-	55,299
	Total Rs.	5,092,150	4,480,054

Note 22	<u>Cost of Material Consumed</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Opening Stock	96,136,570	50,398,556
	Add : Purchase	590,903,123	726,534,141
	Less : Closing Stock	68,802,714	96,136,570
	Total Rs.	618,236,979	680,796,127

Note 23	<u>Changes in Inventories</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Closing Stock		
	Finish Goods	82,339,790	60,379,492
	Semi Finish Goods	14,335,425	14,468,095
	Goods in Transit	274,048	-
		96,949,263	74,847,587
	Opening Stock		
	Finished Goods	60,379,492	37,528,774
	Semi Finish Goods	14,468,096	4,561,502
Goods in Transit	-	11,331,665	
	74,847,588	42,090,276	
	Net (Increase) / Decrease	(22,101,675)	(32,757,311)

Note 24	<u>Employee Benefit Expenses</u>	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Salaries & Wages		
	Salaries, PF employer Contribution & Bonus	22,977,963	22,468,466
	Staff Welfare	449,521	985,248
	Director Remuneration	6,400,100	5,800,000
	Gratuity - Refer Note 41	521,014	436,092
	Total Rs.	30,348,598	29,689,806

Note 25	Financial Cost	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Bank Interest		
	Interest Paid to Bank	18,521,923	21,380,960
	Bank Charges		
	Bank Charges	3,653,980	2,225,571
	Loan Processing Charges	783,058	553,166
	Interest to others		
	Interest on NBFC	688,883	735,127
	Total Rs.	23,647,844	24,894,824

Note 26	Other Expenses	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	A. Manufacturing & Operating Expenses		
	Power & Fuel (Electricity Charges)	434,580	745,727
	Stores & Spare Consumed	2,009,736	901,640
	Transport Charges	12,927,652	13,607,888
	Agency Charges	495,251	441,448
	Water Charges	511,653	459,709
	Factory Expenses	754,840	613,362
	Packing Expenses	1,550,842	1,145,910
	Clearing and Forwarding Charges	3,752,050	3,795,550
	Interest Paid to Suppliers	1,483,517	395,149
	Warehousing Charges	218,779	1,011,218
	Loading and Unloading Exp	977,871	359,526
	Total Manufacturing & Operating Expenses	25,116,770	23,477,125
	B. Selling and Distribution Expenses		
	Commission Brokerage	8,993,141	7,780,436
	Business Promotion Expense	2,576,790	1,470,348
	Advertisement	3,780	35,000
	Inland Travelling	289,425	181,157
	Discount (Sale)	96,790	2,461,451
	Total Selling and Distribution Expenses	11,959,926	11,928,392
	C. General Expenses		
	Miscellaneous Expenses	97,618	19,884
	Sundry Balance Written Off	153,346	1,559,689
	Interest on payment of statutory dues	681,680	377,653
	Total Genral Expenses	932,644	1,957,225
	D. Establishment Expenses		
	Postage & Courier	610,889	403,057
	Professional Charges	3,091,831	3,650,128
	Security Charges	1,036,124	698,157
	Stationery Expenses	320,169	488,249
	Auditors Remuneration	410,000	380,000
	Repair & Maintanance	1,684,787	1,716,840
	Donation	88,293	5,000
	Membership & Subscription	469,058	51,400
	Office Expenses	163,704	615,851
	Insurance	1,210,629	1,241,966
	Conveyance Expenses	303,125	233,343
	Telephone and Internet Expenses	399,522	388,871
	Electricity Expenses	1,931,761	2,539,107
	Motor Car Expenses	200,900	107,593
	Rent, Rate & Taxes	262,178	1,058,343
	Lab Expenses	529,603	663,300
	Software Expenses	50,485	139,880
	MIDC Charges	-	123,644
	Vat Expenses	-	816,057
	Research and Development	-	345,000
	License Fees	253,898	232,210
	Sundry Balance W/off	252,183	-
	Total Establishment Expenses	13,269,138	15,897,995
	Total Rs.(A+B+C+D)	51,278,478	53,260,737

Note :- Research and Development Expenditure included in the Statement of Profit & Loss:-

Salaries, PF employer Contribution & Bonus	4,547,134	4,547,134
Rent, Rate & Taxes	11,000	11,000
Lab Expenses	663,300	663,300
Staff Welfare	110,003	95,655
Postage & Telegram	64,000	64,000
Material Cost	1,542,564	1,117,800
Packing Material	751,896	637,200
Total Rs.	7,689,897	7,136,089

Note 27	Exceptional Items	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
	Export Obligation Liability	-	3,602,661
	Prior Period Expenses	1,313,033	-
	Total Rs.	1,313,033	3,602,661

Note 28 Contingent Liabilities:

Sr. No	Particular	2019-20	2018-19
(i)	Claims against the company not acknowledged	NIL	NIL
(ii)	Commitments, Estimated amount of contracts remaining to be executed on capital	-	-
(iii)	TDS default liabilities are showing on TRACES website.	185,980	130,674.90

Note: The Income-tax assessment of the Company has been completed up-to assessment year 2018-19, The Company has been demanded to pay a tax liability of Rs. 8,869 ,Rs.17,238 and Rs.16,224/- for the A.Y. 2011-12, 2012-13 and 2013-14 respectively and same has been not paid.

Note 29 Balances of Sundry Debtors, Sundry Creditors Assets, Loans & Advances and Deposits as on 31/3/2020 either debit or credit are subject to confirmation, reconciliation and adjustments, if any.

Note 30 In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated in the Balance Sheet which would be realized in the ordinary course of business.

Note 31 The Board of Directors has waived off the board Meeting fees.

Note 32 Figures of the previous year have been regrouped / reclassified, wherever necessary to make them comparable with the figures under review.

Note 33 Segment Reporting as per AS-17

- a. The Organization been processor,importer,Supplier and Exporter of Chemical & Dyes used in the Painting and Textile Industry, which have similar risk and returns and also similar market conditions of demand and supply. All other activities of the company revolve around the main business; as such there are inherent natures of these activities are governed by the same set of risk and returns; these have been grouped as a single segment. The company does not have any other reportable as defined under the Accounting Standard 17 (AS-17) for segment reporting.
- b. Geographical Segments as secondary segment:

		(Amount In Rs.)	
Particular	2019-20	2018-19	
Exports (Including duties & Taxes)	130,402,737	78,458,480	
India (Including duties & Taxes)	716,999,613	851,430,208	
Total	847,402,350	929,888,689	

Note 34 Particulars of Remuneration to Statutory Auditors

		(Amount In Rs.)	
Particular	2019-20	2018-19	
Audit Fees (Excluding Taxes)	310,000	280,000	
Tax Audit (Excluding Taxes)	100,000	100,000	
Fees for Certification Charges	33,040	74,340	

Note 35 Details of Component of Raw material consumed

Particular	2019-20		2018-19	
	Value	Percentage	Value	Percentage
Indigenous	448,896,304	72.61%	475,483,854	69.84%
Imported	169,340,675	27.39%	205,298,367	30.16%
Total	618,236,979	100.00%	680,782,221	100.00%

Note 36 Value of Imports and Exports

Particular	2019-20	2018-19
Value of Imports on CIF Basis	169,340,675	205,298,367
Value of Exports on FOB Basis	130,402,737	78,458,480

Note 37 Expenditure In Foreign Currency

Particular	2019-20	2018-19
Commission	746,398	73,730

Note 38 Earning Foreign Exchange

Particular	2019-20	2018-19
Towards Export of goods	112,938,127	65,242,990

Note 39 Disclosure of related parties (As required by AS-18 Related party disclosure)

List of key management personnel:

Reno.	Name of the Individual	Designation
1	Mr Rakesh Shah	Key Management
2	Mrs Apooni Shah	Key Management
3	Mr Sharad Kothari	Key Management
4	Mr Aashay R Shah	Relative of Key Management
5	Mr. Bhavesh Pandya	Chief Financial Officer (CFO)
6	Mr. Paresh Shah	Chief Executive Officer (CEO)
7	Mrs. Neha Shah	Wife of Chief Executive Officer (CEO)

Disclosure of related party transaction (During the year):

(Amount in Rs.)

Sr.No.	Nature of transaction	Key Management	Relative of Key Management/ Associate	Total
1	Salary	10,352,400	1,777,200	12,129,600
		(7,017,677)	(1,449,621)	(8,467,298)
2	Unsecured Loan Received	1,300,000	-	1,300,000
		(1,380,418)	-	(1,380,418)
3	Unsecured Loan Repayment	2,312,618	-	2,312,618
		(2,467,800)	-	(2,467,800)

Note- Figure in bracket represents last year data.

Disclosure of outstanding amount at year end:

(Amount in Rs.)

No	Name	Type of Transaction	Amount
1	Mrs. Apooni Shah	Unsecured Loan Received	1,954,995

Detail of Salary and interest given to key managerial personnel:

(Amount in Rs.)

No	Name	Salary	Unsecured Loan Received	Unsecured Loan Repayment
1	Mr. Rakesh Shah	4,800,000	1,100,000	1,332,379
2	Mrs. Apooni Shah	4,200,000	-	-
3	Mr. Sharad Kothari	582,000	-	-
4	Mr Aashay R Shah	1,500,000	200,000	980,239
5	Mr. Bhavesh Pandya	435,600	-	-
6	Mr. Paresh Shah	334,800	-	-
7	Mrs. Neha Shah	277,200	-	-
Total Rs.		12,129,600	1,300,000	2,312,618

Note 40 Deferred Tax

In compliance with the Accounting Standard 22 relating to "Accounting for Taxes on Income" issued by the Institute of Chartered Accountant of India, the deferred tax liability accruing during the year has been recognized in the Profit and Loss Account.

Major components of the Deferred Tax Liability/Asset are as follows:-

(Amount in Rs.)

Particulars	Balance as on April 1, 2019 (DTA)	Arising during the year (P&L)	Balance carried forward (DTA)
Deferred Tax liability/Asset on account of timing difference in depreciation	3,646,945	(3,299,934)	(6,946,879)
Total	3,646,945	(3,299,934)	(6,946,879)

Note 41 Discloser as per AS 15 for Gratuity Liability

Defined Contribution Plans Amount of Rs. 1212588 (PY Rs. 691786) towards Provident Fund is recognized as an expenses & included in "Salaries, PF employer Contribution & Bonus" in Profit & Loss.

Defined Benefits plan and short term Employee benefits

Gratuity (Defined Benefits Plan)

The Company has a defined benefit gratuity plan. Every Employee who has completed Five years of service get a gratuity on death or resignation or retirement at 15 days of salary (last drawn salary) for each completed year of service. The Gratuity has been provided on the basis of valuation provided by the actuary based on Projected Unit Credit Method.

Date of Valuation	1-Mar-20
Number of Member	91
Average Age	34
Average Monthly Salary	10,481
Average Past Service	4
Mortality Rate	LIC (2006-08)
Withdrawal Rate	1% to 3% depending
Discount Rate	7.25% P.A.
Salary Escalation	4.00%

Result of Valuation

PV Of Past Service Benefit	2,084,640
Fund Value as on Renewal Date	1,279,589
Current Service Cost	521,014

Particular	31st March 2020
Gratuity Provision - Non Current	1,797,088
Gratuity Provision -Current	599,030

Signature to Note No. 1 to 41 forming part of the Balance Sheet and Statement of Profit & Loss.

As per our audit report of even date.

As per our Report of even date
For Shambhu Gupta & Co.
FRN No.:- 007234C
Chartered Accountants

For and on behalf of Board of Directors of
AMBANI ORGANICS LIMITED

sd/-

CA. Rajkumar Khatod
Partner
Membership No. 133612

Place :- Mumbai
Dated :- July 17, 2020

sd/-

Mr. Rakesh Shah
Director
DIN No. 00503074

sd/-
Mr. Bhavesh Pandya
Chief Financial Officer

sd/-

Mrs. Apooni Shah
Director
DIN No. 00503116

sd/-
Ms. Richa Chokhani
Company Secretary