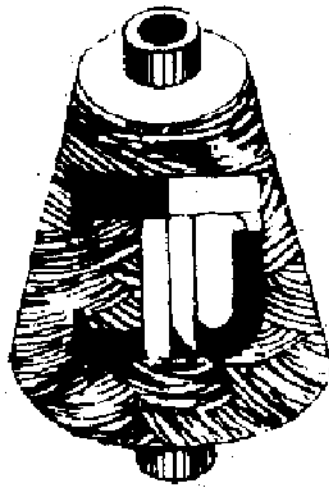


# **27<sup>th</sup> ANNUAL REPORT**

## **2019-2020**



### **UNITED TEXTILES LIMITED**

REGD. OFFICE & WORKS: 7<sup>TH</sup> K.M. STONE BARWALA ROAD, HISAR-125001 (HARYANA), INDIA

GSTIN : 06AAACU2014M1ZJ | CIN L17115HR1993PLC032092

● Email: [unitedtextilesld@gmail.com](mailto:unitedtextilesld@gmail.com) Website : [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com)

CORPORATE OFFICE: DEVI BHAWAN ROAD, HISAR-125001 Mob. No. : 98963-29823

### **BOARD OF DIRECTORS**

**Sh. Arun Kumar Agarwal**  
**Executive Director & CFO**

**Smt. Shalini Aggarwal**

**Amit Kumar Aggarwal**

**Amit Bansal**

**Sandeep Garg**

### **AUDITORS**

**M/s P.C. Goyal & Co.**  
**Chartered Accountants**

**Company Secretary**

**Reena Kumari**

### **BANKER**

**Punjab National Bank**

**REGISTERED OFFICE & WORKS**  
**7th K.M. Stone, Barwala Road,**  
**Hisar-125001 (Haryana)**

**CORPORATE OFFICE**  
**Devi Bhawan Road,**  
**Hisar-125001 (Haryana)**

## **C O N T E N T S**

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# UNITED TEXTILES LIMITED

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## NOTICE

NOTICE is hereby given that the '27<sup>th</sup> ANNUAL GENERAL MEETING' of the members of UNITED TEXTILES LIMITED (CIN L17115HR1993PLC032092) will be held on Wednesday, the 30<sup>th</sup> day of September, 2020 at 11.00 A.M. at the Registered office of the Company at 7th K.M Stone, Barwala Road, Hlsar – 125001 to transact the following business :-

### ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2020, together with the Report of the Directors and Auditors' thereon.
2. To appoint a director in place of Smt. Shalini Aggarwal (DIN 00248578) who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS

3. To regularize Sh. AMIT KUMAR AGGARWAL (DIN-07079171) appointed by the Board as Director  
To consider and, if thought fit, to pass, with or without modification(s), following resolution as an Ordinary Resolution.  
"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), if any, Sh. AMIT KUMAR AGGARWAL (DIN-07079171) who was appointed as Additional Director of the Company by the Board of Directors on 13.02.2020 upon the recommendation of Nomination and Remuneration Committee and who holds office up to the date of ensuing AGM, being eligible, be and is hereby regularized and is hereby appointed as Executive Director of the Company whose period of office shall be liable to retirement by rotation."
4. To regularize Sh. AMIT BANSAL (DIN-08623244) appointed by the Board as an Independent Director.  
To consider and, if thought fit, to pass, with or without modification(s), following resolution as an Ordinary Resolution.  
"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of Sh. AMIT BANSAL (DIN-08623244) who was appointed as Additional Director of the Company by the Board of Directors on 13.11.2019 upon the recommendation of Nomination and Remuneration Committee and who holds office up to the date of ensuing AGM as an independent director of the Company, being eligible, be and is hereby regularized as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years i.e. up to November 12, 2024."
5. To regularize Sh. SANDEEP GARG (DIN-08622421) appointed by the Board as an Independent Director  
To consider and, if thought fit, to pass, with or without modification(s), following resolution as an Ordinary Resolution.  
"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Sh. SANDEEP GARG (DIN-08622421) who was appointed as Additional Director of the Company by the Board of Directors on 13.11.2019 upon the recommendation of Nomination and Remuneration Committee and who holds office up to the date of ensuing AGM as an Independent director of the Company, being eligible, be and is hereby regularised, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years i.e. up to November 12, 2024."
6. To approve the remuneration payable to Sh. AMIT KUMAR AGGARWAL (DIN-07079171).  
To consider and, if thought fit, to pass, with or without modification(s), following resolution as Special Resolution.

## UNITED TEXTILES LIMITED

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**"RESOLVED THAT** the Managerial remuneration paid/payable to Mr. Amit Kumar Aggarwal, Director of the Company, on such terms and conditions, as decided by the Board be and is hereby approved w.e.f. 1<sup>st</sup> April, 2020 even if it is in excess of the limits prescribed under Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate as may be permitted or authorized in accordance with the provisions of the Companies Act, 2013 or schedule appended thereto and settle any question or difficulty in connection therewith and incidental thereto.

**FURTHER RESOLVED THAT** Directors of the Company be and are hereby authorized to inform all concerned of the aforesaid alteration in remuneration and to present/file necessary intimation, application, notice, papers, forms or any other documents/deeds etc before the competent authorities, if required, in such form and manner as may be required or necessary and also to do all acts, deeds, things and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Board of Directors to be in the best interest of the Company, as it may deem fit."

**BY ORDER OF THE BOARD**

### REGISTERED OFFICE

7th K.M Stone

Barwala Road, Hisar – 125 001

**(REENA KUMARI)**

**Company Secretary**

**Date : 31<sup>st</sup> August, 2020**

**CIN : L17115HR1993PLC032092**

**Ph. : 9812761843**

**Email : [unitedtextilesld@gmail.com](mailto:unitedtextilesld@gmail.com)**

**Website : [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com)**

### NOTES:-

1. A member entitled to attend and vote at the Annual General Meeting (the 'Meeting') is entitled to appoint a proxy to attend and vote on a poll, instead of her/him and the proxy need not be a Member of the Company. The Instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
2. A proxy form is sent herewith. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. Provided that a member holding more than 10 (Ten) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.
3. The Explanatory Statements to the agenda items 3-6 is annexed hereto
4. Members/Proxies should fill in the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
5. The Company's Register of Members and Transfer Books will remain closed from Tuesday **September 29, 2020 to Wednesday September 30, 2020** (both days inclusive).
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
8. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
9. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the

## UNITED TEXTILES LIMITED

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Registered Office of the Company on all working days viz. Monday to Friday, between 11.00 A.M. and 1.00 P.M. from dispatch of notice till the date of the Meeting or any adjournment(s) thereof.

10. At the ensuing Annual General Meeting, Smt. Shallni Agarwal who is retiring by rotation, being eligible, offers herself for re-appointment.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Company's Registered office.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.
13. Shareholders seeking any Information or clarification on the accounts are requested to send written queries to the Company, at least 10 days before the date of the meeting, to enable the management to keep the required information available at the meeting.
14. As per Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting votes through the electronic voting system from a place other than venue of AGM (remote e-voting) under an arrangement with National Securities Depository Limited ("NSDL") as specified more fully in the Instructions hereunder provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Wednesday, 23rd September, 2020, i.e. the cutoff date are entitled to vote on the Resolutions set forth in this Notice. The Remote e-voting period will commence at 9.00 a.m. on Sunday, September 27, 2020 and will end at 5.00 p.m. on Tuesday, September 29, 2020. The Notice of the Meeting will also be available on the website of the Company i.e. [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com) and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
15. The procedure and Instructions for e-voting are as under:  
**Step 1: Log-In to NSDL e-Voting system**
  - a. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
  - b. Once the home page of e-Voting system is launched, click on the Icon "Login" which is available under 'Shareholders' section.
  - c. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
  - d. Your User ID details will be as per details given below :
    1. **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example If your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
    2. **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
    3. **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example If folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).
  - e. Your password details are given below:
    1. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
    2. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password'

## UNITED TEXTILES LIMITED

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- and the system will force you to change your password.
3. How to retrieve your 'Initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'Initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'Initial password'.
    - (ii) If Your Email ID is Not Registered, Please Follow Steps Mentioned Below in Process for those Shareholders Whose Email IDs Are Not Registered.
      - a. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (Company email id).
      - b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id).
      - f. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
        - (i) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
        - (ii) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
      - (iii) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
      - (iv) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
    - g. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
    - h. Now, you will have to click on "Login" button.
    - i. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2 : Cast your vote electronically on NSDL e-Voting system.**
- a. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
  - b. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
  - c. Select "EVEN" of Company for which you wish to cast your vote.
  - d. Now you are ready for e-Voting as the Voting page opens.
  - e. Cast your vote by selecting appropriate options i.e. for or against, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  - f. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - g. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - h. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- General Guidelines for shareholders:**
- I. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [aniljain64@gmail.com](mailto:aniljain64@gmail.com).
  - II. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

## UNITED TEXTILES LIMITED

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16. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
17. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
18. You can also update your mobile number and e-mail id in the user profile details of the follo which may be used for sending future communication(s).
19. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2020.
20. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pk.mittal@indusinvest.com](mailto:pk.mittal@indusinvest.com) to RTA INDUS Portfolio Private Limited. Such members will also be provided the notice through mail or by post after the cut-off date on request.  
However, If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
21. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
22. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
23. Sh. Anil Kumar Jain, Practicing Chartered Accountants (Membership No.088037), has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
24. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
25. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of NSDL as soon as possible after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be communicated to the BSE Limited within the time prescribed as per Companies Act, 2013.

**BY ORDER OF THE BOARD**

**REGISTERED OFFICE**

7th K.M Stone  
Barwala Road, Hisar – 125 001

**Date** : 31<sup>st</sup> August, 2020  
**CIN** : L17115HR1993PLC032092  
**Ph.** : 9812761843  
**Email** : [unitedtextilesLtd@gmail.com](mailto:unitedtextilesLtd@gmail.com)  
**Website** : [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com)

**(REENA KUMARI)**  
**Company Secretary**

# UNITED TEXTILES LIMITED

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### ITEM NO. 3

Sh. AMIT KUMAR AGGARWAL (DIN- 07079171) was appointed as an Additional Director of the Company upon the recommendation of Nomination and Remuneration Committee with effect from 13<sup>th</sup> February, 2020, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of this Annual General Meeting of the Company.

The Board is of the view that the appointment of Sh. AMIT KUMAR AGGARWAL on the Company's Board of Directors is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 3 to be passed as an ordinary resolution by the shareholders of the Company.

Sh. Arun Kumar Aggarwal, Smt. Shallni Aggarwal and Sh. Amit Kumar Aggarwal, Directors of the company may be considered as interested in the resolution being related to each other. Besides him, none of the Directors/Key Managerial Personnel of the Company/their relatives is in any way concerned or interested, in the said resolution.

### ITEM NO. 4

Sh. AMIT BANSAL (DIN- 08623244) was appointed as an Additional Director of the Company with effect from 13<sup>th</sup> November, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of this Annual General Meeting of the Company. In the opinion of the Board, Sh. AMIT BANSAL fulfils the conditions specified in Section 149 (6) & Section 149 (7) of the Companies Act, 2013 and the rules made there under. Accordingly, the Board proposes to co-opt Sh. AMIT BANSAL as Independent Director of the Company for a period of 5 years with effect from 13<sup>th</sup> November, 2019 upto 12<sup>th</sup> November, 2024 as set out at Item No. 4 of this Notice.

Further, in terms of Section 149(13) of the said Act, Sh. AMIT BANSAL shall not be liable to retire by rotation. Brief profile of the said Independent Director, in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is provided after this Notice.

The Board accordingly recommends the resolution at Item No. 4 of this Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than those mentioned in the resolution and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution.

### ITEM NO. 5

Sh. SANDEEP GARG (DIN- 08622421) was appointed as an Additional Director of the Company with effect from 13<sup>th</sup> November, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of this Annual General Meeting of the Company. In the opinion of the Board, Sh. SANDEEP GARG fulfils the conditions specified in Section 149 (6) & Section 149 (7) of the Companies Act, 2013 and the rules made there under. Accordingly, the Board proposes to co-opt Sh. SANDEEP GARG as Independent Director of the Company for a period of 5 years with effect from 13<sup>th</sup> November, 2019 upto 12<sup>th</sup> November, 2024 as set out at Item No. 4 of this Notice.

Further, in terms of Section 149(13) of the said Act, Sh. SANDEEP GARG shall not be liable to retire by rotation. Brief

## **UNITED TEXTILES LIMITED**

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profile of the said Independent Director, in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is provided after this Notice.

The Board accordingly recommends the resolution at Item No. 5 of this Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than those mentioned in the resolution and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution.

### **ITEM NO. 6**

In view of the capabilities of Sh. AMIT KUMAR AGGARWAL (DIN- 07079171) and considering the fact that his remuneration needs to be fixed, the Board of Directors of the Company on the recommendation by the Nomination and Remuneration Committee, fixed his remuneration in the committee meeting held on 1<sup>st</sup> April, 2020 under the applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

However, the Company in order to comply with all the applicable provision of the Companies Act, 2013 in letter and spirit, is seeking approval of Members of the Company under Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

Our Company usually earns sufficient profit every year but some time due to uncontrollable situation there can be a fall in the profit of the Company in any financial year due to which the remuneration payable to Managerial Persons may exceed the maximum limit of remuneration to be paid to Managerial Persons given under Section 197 (1) of the Companies Act, 2013 and under Schedule V of Companies Act, 2013.

Such remuneration is subject to the approval of Members of the Company by way of Special Resolutions. In the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of above mentioned Director, the remuneration as mentioned in the resolution(s), shall be paid to them, as minimum remuneration, subject to the approvals required, if any.

The remuneration, as aforesaid, to the Director, is subject to the approvals by the Company in a General Meeting in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act. The resolution(s) set out in the notice are intended for this purpose.

Sh. Arun Kumar Aggarwal, Smt. Shalini Aggarwal and Sh. Amit Kumar Aggarwal, Directors of the company may be considered as interested in the resolution being related to each other. Besides him, none of the Directors/Key Managerial Personnel of the Company/their relatives is in any way concerned or interested, in the said resolution.

The Board recommends the special resolution(s) set forth at item nos. 6 of the Notice for the approval of the members.

**BY ORDER OF THE BOARD**

### **REGISTERED OFFICE**

7th K.M Stone  
Barwala Road, Hisar – 125 001

**Date** : 31<sup>st</sup> August, 2020  
**CIN** : L17115HR1993PLC032092  
**Ph.** : 9812761843  
**Email** : [unitedtextilesLtd@gmail.com](mailto:unitedtextilesLtd@gmail.com)  
**Website** : [www.unitedtextilesLimited.com](http://www.unitedtextilesLimited.com)

**(REENA KUMARI)**  
Company Secretary

## UNITED TEXTILES LIMITED

### Details of Director seeking appointment/re-appointment/retiring by rotation (In pursuance of SEBI LODR)

Director Name	<b>Mrs. Shalini Aggarwal</b>
Date of Birth	18/10/1973
Qualification	Graduate
Date of Appointment	25/08/2005
Directorship in other Companies as on 31.03.2020	Nil
Relationship with other Directors of the Company	Sh. Amit Kumar Aggarwal. & Sh. Arun Kumar Aggarwal are related to Smt. Shalini Aggarwal.
Membership/Chairmanship of Committees of other public companies as on 31.03.2020	Nil
Shareholding in United Textiles Limited	68600
Director Name	<b>Mr. Amit Kumar Aggarwal</b>
Date of Birth	22/09/1981
Qualification	Under Matric
Date of Appointment	13/02/2020
Directorship in other Companies as on 31.03.2020	Nil
Relationship with other Directors of the Company	Sh. Arun Kumar Aggarwal & Smt. Shalini Aggarwal are related to Mr. Amit Kumar Aggarwal.
Membership/Chairmanship of Committees of other public companies as on 31.03.2020	Nil
Shareholding in United Textiles Limited	17200
Director Name	<b>Mr. Amit Bansal</b>
Date of Birth	21/03/1983
Qualification	Graduate
Date of Appointment	13/11/2019
Directorship in other Companies as on 31.03.2020	Nil
Relationship with other Directors of the Company	Nil
Membership/Chairmanship of Committees of other public companies as on 31.03.2020	Nil
Shareholding in United Textiles Limited	Nil
Director Name	<b>Mr. Sandeep Garg</b>
Date of Birth	20/09/1975
Qualification	Graduate
Date of Appointment	13/11/2019
Directorship in other Companies as on 31.03.2020	Nil
Relationship with other Directors of the Company	Nil
Membership/Chairmanship of Committees of other public companies as on 31.03.2020	Nil
Shareholding in United Textiles Limited	Nil

# UNITED TEXTILES LIMITED

## DIRECTOR'S REPORT

To,  
The Members,  
UNITED TEXTILES LIMITED,

Your directors have pleasure in presenting the '27th ANNUAL REPORT' together with the Audited Accounts for the year ended 31st March, 2020.

### DISCUSSION ON FINANCIAL PERFORMANCE W.R.T. OPERATIONAL PERFORMANCE

(Rs. in Lacs)

PARTICULARS	2019-2020	2018-2019
Revenue from Operation and Other Income	895.31	677
Profit/(Loss) before depreciation, Interest & Taxes	59.89	56
Depreciation & Amortization Expenses	25.20	30
Finance Cost	29.91	25
Profit/(Loss) before Taxes	4.78	1
Provision of Tax/Tax Paid (Incl. Deferred Taxation)	0.02	2
Profit/(Loss) after Tax	4.76	-1

### BUSINESS PERFORMANCE

During the year the company has achieved gross revenue of Rs. 895.31 Lacs as compared to previous year of Rs. 677.34 Lacs. The company has earned profit before tax of Rs 4.78 Lacs as compared to previous year Profit of Rs. 1.18 Lacs. There has been more than 32% increase in turnover and the profit is also impressive as compared to previous year. In the ensuing year, the company has somewhat suffered due to lockdown in the country still the performance of the company is likely to be on higher side.

### DIVIDEND

In order to conserve resources by the Company, the Board does not recommend any dividend for the financial year ended 31st March, 2020.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

No unclaimed dividend was required to be transferred to Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

### SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2020 was Rs.3,00,00,000/-. During the year under review the company has not issued any shares or any convertible instruments.

### RESERVES

The reserve and surplus at the end of the year under review is Rs. 743.62 Lac only.

### MANAGEMENT DISCUSSION & ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is as follows:

#### Industry Structure and Development

- The COVID 19 break down in the second half of March affected the overall industry adversely and all markets have literally been stopped across the globe. It has led to lockdown and shrinkage in all economies world-wide very sharply. The above has put a lot of pressure on Textile industry in India which was already facing a lot of challenges due to delays in receiving the GST refunds as well as delay in receiving the export benefits. On positive note there is surge in E-commerce and online sales.
- Indian textile industry is facing huge liquidity crunch and uncertainty pertaining to future orders.

#### Opportunities and Threats

- Currently the biggest threat is COVID 19 and its impact. It is expected that overall textile business will be severely affected which would result in various job losses across the value chain.
- First half of FY 21 is expected to be very tough and the second half is expected to give some relief to the business and the society in general if all the countries especially India is able to control the COVID 19 Pandemic.
- Going ahead, there could be a positive side for textile business as USA and EU customers who will be looking for alternative for China, may move to other countries such as Vietnam, Bangladesh, India, etc. Hence it is expected that demand will increase in textile fabrics for exports, but we need to ensure that we prepare ourselves to take the advantage of the expected business which might drift away from China.

## UNITED TEXTILES LIMITED

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- iv. There is some liquidation problem in the company due to COVID-19 and subsequent lockdown in the country. However, the company has obtained a loan under the scheme "Guaranteed Emergency Credit Line" to improve the liquidity position.

### **Segmental Review and Analysis**

- i. The main Raw Material of our Company is cotton, which is based on Agricultural production of Cotton. The Production is dependent on Monsoon. In Indian climatic condition the monsoon is always an unpredictable factor. Sometimes there is heavy rainfall & sometime the drought situation is created, which affects the production of Cotton to a great extent creating heavy fluctuation in raw material prices. However, the company has somewhat managed situation & earned profit during the year.
- ii. For FY 21, the immediate focus shall be on the recovery of the outstanding and ensuring the earliest dispatches of the finished goods inventory to have a tighter control on the working capital and reigning in fixed costs to conserve cash.

### **Risks and Concerns**

- i. Overall negative impact is expected across the industry due to current COVID 19 pandemic. Also, there could be short time recessionary pressure due to job losses and money crunch in the market and it will take around 6 to 8 months before we could see demand coming back in the Textile Industry.

### **Outlook**

- i. Overall, FY 21 is expected to be a tough year for the textile industry and major focus shall be on cost cutting measures, improving productivity, reduction in wastage and efforts on taking quality to next level and deriving efficiency to make products further cost competitive.
- ii. Further, the company plans to make some structural changes in organization to make it lean and agile and focus will be on giving improved services to customers to retain market share.
- iii. Once we are through from the lock-down and the market reopens, the company expects to bounce back ensuring competitive products along with growing focus on sustainability range of products.
- iv. It is a testing period for all of us, but with our good brand image and network in the market, we expect to be back on track soon.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company maintains an adequate and effective Internal Control Systems commensurate with its size and complexity. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

### **HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:**

The industrial relations in all units of the Company continue to be cordial. The skills, experience and passion of our people facilitate deeper customer understanding and engaging relationships and strengthen our brand value. We continue to step up efforts to accelerate our value-based growth strategy and the overall development of human capital. We nurture our people by investing in their empowerment through learning and development, wellness and safety besides providing contemporary workplace facilities. Our underlying belief is that Human Resource Development today is about nurturing human resources and leveraging human capital towards the achievement of business goals. The Company is committed towards creation of opportunities for its employees that help attract, retain and develop a diverse workforce.

### **DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE AS COMPARED TO IMMEDIATE PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS**

Since there is no significant change of more than 25% as compared to the previous year in the various financial ratios. Therefore no comparison is given here.

### **DETAILED EXPLANATION W.R.T. CHANGE IN RETURN ON NET WORTH**

The Company has maintained satisfactory performance ratios despite adverse market situation prevailing for a major part of the year. Return on Net Worth during the year is very much on higher side as compared to the previous year.

### **CORPORATE SOCIAL RESPONSIBILITY**

The company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of section 135 of the Companies Act, 2013 are not applicable.

### **BUSINESS RISK MANAGEMENT**

The Company has developed & implemented Risk Management Policy. However, Company has not come across any element of risk which may threaten the existence of the Company.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As required under section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Boards and its Powers) 2014 and Regulation 22 & 46(2)(e) of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015, the Company has adopted a policy on vigil mechanism/whistle blower. The policy provides direct access to the Chairman of the Audit Committee in case any employee should choose to report or bring up a complaint. The company affirms that no one has been denied access to the Chairman of the Audit Committee and also that no complaints were received during the year. The mechanism for the same is available on the Website of the Company at following link: [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com).

### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

## UNITED TEXTILES LIMITED

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-Smt. Shalini Aggarwal, retires by rotation at the ensuing Annual General Meeting and, being eligible, offer herself for reappointment.

-Sh. Anil Kumar Gupta and Sh. Ashok Chhogmal Aggarwal have resigned during the year. Sh. Amit Bansal and Sh Sandeep Garg has joined as Independent Directors. All independent directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015. Reason for appointment of Sh. Amit Bansal and Sh Sandeep Garg as Independent Directors is their business expertise in the field

-During the year Sh. Vinod Kumar Aggarwal has resigned and Sh. Amit Kumar Aggarwal was appointed as Director.

-The Board of Directors has duly appointed Company Secretary in the company during the year.

### **BOARD EVALUATION**

Pursuant to the provisions of companies Act, 2013 and SEBI(Listing Obligation And Disclosure Requirement) Regulation, 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually including the Independent Directors as well the evaluation of the working of its Audit, Remuneration and Share Transfer committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company has no subsidiaries, Joint ventures or Associate Companies & therefore the Company does not require filing the details of financial performance of Subsidiary/Joint Venture/Associate Company in form AOC-1.

### **NOMINATION & REMUNERATION POLICY**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is published on the website of the Company on [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com).

### **MEETINGS**

#### **BOARD MEETING**

During the year Four Board Meetings and one independent directors' meeting were held, the provisions of Companies Act, 2013, Secretarial Standards and "SEBI Listing Regulations" were adhered to while considering the time gap between two meetings. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report.

#### **AUDIT COMMITTEE**

The company is having an audit committee comprising of the following directors:

1. Sh. Anil Kumar Gupta, Chairman Non-Executive & Independent Director (up to 12.11.19)
2. Sh. Ashok Chhogmal Aggarwal, Member Non-Executive & Independent Director (up to 12.11.19)
3. Sh. Arun Kumar Aggarwal, Member Executive Director (up to 12.02.20)
4. Sh. Sandeep Garg, Chairman Non-Executive & Independent Director (w.e.f. 13.11.19)
5. Sh. Amit Bansal, Member Non-Executive & Independent Director (w.e.f. 13.11.19)
6. Sh. Amit Kumar Aggarwal, Member Executive Director (w.e.f. 13.02.20)

#### **MEETING**

During the year Four Audit Committee Meetings were held, the provisions of Companies Act, 2013, Secretarial Standards and "SEBI Listing Regulations" were complied in this respect. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The company is having a Nomination & Remuneration Committee comprising of the following directors:

1. Sh. Ashok Chhogmal Aggarwal, Chairman Non-Executive & Independent Director (up to 12.11.19)
2. Sh. Anil Kumar Gupta, Member Non-Executive & Independent Director (up to 12.11.19)
3. Sh. Amit Bansal, Chairman Non-Executive & Independent Director (w.e.f. 13.11.19)
4. Sh. Sandeep Garg, Member Non-Executive & Independent Director (w.e.f. 13.11.19)
5. Smt. Shalini Aggarwal, Member Non-Executive Director

#### **MEETING**

During the year one Nomination and Remuneration Committee Meetings was held, the provisions of Companies Act, 2013, Secretarial Standards and "SEBI Listing Regulations" were complied in this respect. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE:**

The company is having a Stakeholder Relationship Committee comprising of the following directors

1. Sh. Anil Kumar Gupta, Chairman Non Executive & Independent Director (up to 12.11.19)
2. Sh. Arun Kumar Aggarwal, Member Executive director (up to 12.11.19)
3. Smt. Shalini Aggarwal, Member Non Executive Director (up to 12.02.20)
4. Sh. Sandeep Garg, Chairman Non-Executive & Independent Director (w.e.f. 13.11.19)
5. Sh. Amit Bansal, Member Non-Executive & Independent Director (w.e.f. 13.11.19)
6. Sh. Amit Kumar Aggarwal, Member Executive Director (w.e.f. 13.02.20)

# UNITED TEXTILES LIMITED

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## MEETING

During the year two Stakeholder Relationship Committee Meetings was held, the provisions of Companies Act, 2013, Secretarial Standards and "SEBI Listing Regulations" were complied in this respect. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134 (5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that

- a) 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;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment 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;
- c) 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;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.
- f) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

## RELATED PARTY TRANSACTIONS

During the year under review no related party transactions that were entered. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons or entities which may have a potential conflict with the interest of the Company at large. Therefore the provisions of Sub Section 1 of Section 188 read with Sub-Section (3) of Section 134 and Rule 8(2) of the (Companies Accounts) Rules, 2014 are not applicable on the Company.

## MATERIAL CHANGES

There are no significant material changes during the year which would impact the going concern status of the Company and its future operations. There was complete lockdown in the country due to COVID -19 due to which plant remained shut down for almost 2 months which has affected the operation of the company. However, there is no substantial impact on the going concern status of the Company and its future operations.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

## STATUTORY AUDITORS

M/S P.C. GOYAL & Co., Chartered Accountants (Firm Registration No - 002368N) was appointed as Statutory Auditor of the Company & now consented for re appointment. The board recommends their continuance as Statutory Auditors for the ensuing year.

## SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Anju Jain (CP No.: 2728, ACS No: 11056), Company Secretary to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as 'Annexure 1'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark which needs any explanation in the Directors Report.

## AUDITORS OBSERVATIONS

The auditor's observations being self explanatory have been duly explained in the notes to the accounts.

## FRAUD REPORTED BY THE AUDITOR

No fraud reported by the Auditor for the period under review.

## DEPOSITS

The company has not accepted any deposits from the public.

## COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, the accounts and records are not required to be maintained by the Company.

## INSURANCE

The Company's properties have been adequately insured.

## COMPLIANCE OF GUIDELINES OF SEBI/STOCK EXCHANGE

We have duly complied with all the guidelines issued by SEBI/Stock Exchange. Further the company has also obtained the secretarial compliance report from the Company Secretary in Practice under which various compliances of BSE/SEBI have been

# UNITED TEXTILES LIMITED

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reported in detail and duly submitted to BSE.

## **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The Company has also implemented several best governance practices. Pursuant to the provisions of Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company is exempt from filing or annexing the report on Corporate Governance with the Annual Report and also exempted from the requirement of certificate either from the auditors or practicing company secretaries regarding compliance of conditions of corporate governance, but still in order to maintain the standards of governance and compliances the Company has given report on Corporate Governance forming the part of annual return.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure 2'.

## **BUSINESS RESPONSIBILITY REPORT**

As stipulated under the regulation 34 of the Listing Regulations, the Business Responsibility Report is mandatory for the top 1000 listed entities based on market capitalization (calculated as on March 31 of every financial year) and our company is not covered in above criteria. Hence, not required to include the Business Responsibility Statement.

## **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT - 9 is given on website [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com).

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loan or provided any guarantee or made any investment covered under section 186 of the Companies Act, 2013.

## **PARTICULARS OF EMPLOYEES**

A. The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

B. DETAILS REGARDING REMUNERATION OF TOP TEN EMPLOYEES OF THE COMPANY

Pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 details of the top ten employees in terms of remuneration drawn are attached with this report as 'Annexure 3'.

## **DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company takes all necessary measures to ensure a harassment-free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. During the year, there were no complaints relating to sexual harassment.

## **SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

## **ACKNOWLEDGMENT**

Your directors are pleased to place on record their sincere gratitude to the Government Authorities, Financial Institutions, Bankers, Shareholders, Customers, Dealers and Vendors for their continued and valuable co-operation and support to the Company.

Your directors express their deep appreciation for the devoted and sincere efforts put in by the members of the team at all levels of operations in the Company during the year. The company feels confident of continued co-operation and efforts from them in future also.

**FOR AND ON BEHALF OF THE BOARD**

## **REGISTERED OFFICE:**

7th K.M. Stone  
Barwala Road, Hisar - 125 001

Date : 10th July, 2020  
Ph. : 9812761843  
CIN : L17115HR1993PLC032092  
Email : [unitedtextilesLtd@gmail.com](mailto:unitedtextilesLtd@gmail.com)

Shalini Aggarwal  
(Director)  
DIN - 00248510

Arun Kumar Aggarwal  
(Executive Director)  
DIN - 00248578

# UNITED TEXTILES LIMITED

Annexure - 1

**FORM No. MR – 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
UNITED TEXTILES LIMITED,  
7th K.M.STONE, BARWALA ROAD,  
Hisar-125001 (Haryana)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by UNITED TEXTILES LIMITED (CIN : L17115HR1993PLC032092) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory complines and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the Information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 ('Audit Period') 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 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; (Not applicable to the Company during the Audit Period);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (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).
- (vi) OTHER APPLICABLE ACTS;
  - a. Factories Act, 1948;
  - b. Industrial Disputes Act, 1947;
  - c. Payment of Wages Act, 1936;
  - d. The Minimum Wages Act, 1948;
  - e. Employees' State Insurance Act, 1948;
  - f. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
  - g. The Payment of Bonus Act, 1965;

## UNITED TEXTILES LIMITED

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- h. The Industrial Employment (Standing Orders) Act, 1946;
- i. Payment of Gratuity Act, 1972;
- j. The Workmen's Compensation Act, 1923;
- k. Air (Prevention & Control of Pollution) Act, 1981;
- l. Water (Prevention & Control of Pollution) Act, 1974;
- m. Hazardous Waste (Management & Handling) Rules, 1989;
- n. Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
- o. Environment (Protection) Act, 1986;

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

- (i) Secretarial Standards Issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

### MANAGEMENT RESPONSIBILITY

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit;
2. I have followed the audit practices and the 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion;
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or examined any books, information or statements other than Books and Papers.
4. I have not examined any other specific laws except as mentioned above.
5. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis;
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company;

### I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, agenda 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. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Place-Hisar  
Date -17/06/2020

CS Anju Jain  
Company Secretary in Practice  
ACS No. : 11056  
C P No.: 2728

# UNITED TEXTILES LIMITED

## ANNEXURE – 2

### A. CONSERVATION OF ENERGY

The following measures have been taken by the company for conservation of energy:-

1. We have replaced the old machines with new modernized fully automatic and computerised machines by which power consumption have been reduced by at least 15% as compared to previous machines.
2. Improving power factor by proper choice of capacitors from time to time depending upon the load.
3. Utilising the proper load of plant and equipments, electric motors etc.
4. Reducing the maximum demand by properly distribution of load.

### B. RESEARCH AND DEVELOPMENT (R&D)

	CURRENT YEAR	PREVIOUS YEAR
1. Specific areas in which R & D carried out by the company )		
2. Benefits derived as a result of the above R & D. )		
3. Future plan of action )		
4. Expenditure on R & D : )	NIL	NIL
a) Capital )		
b) Recurring )		
c) Total )		
d) Total R & D expenditure as a percentage of total turnover )		

### TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation. )		
2. Benefits derived as a result of the above efforts, e.g., production, product development Import substitution etc. )		
In case of imported technology (imported during the last )	NIL	NIL
5 years reckoned from the beginning of the financial )		
year following information may be furnished). )		
a) Technology imported. )		
b) Year of import. )		
c) Has technology been fully absorbed )		
d) If not fully absorbed, areas where this has not taken place )		
reasons therefore and future plans of action )		

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports; initiative taken to increase export; development of new export markets for products and services; and export plans as per the note no.26 Part A of Financial Statement )	NIL	NIL
b) Total foreign exchange earned )	NIL	NIL

# UNITED TEXTILES LIMITED

## Annexure - 3

### Details Regarding Remuneration of Top Ten Employees of the Company (Pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014) AS ON 31.03.2020

S. No.	Name & Age of Employee & Nature of employment (Contractual or permanent)	Qualification & Experience of the Employee	Designation	Remuneration (in INR)	Nature & Date of Commencement of Employment	Detail of Last Employment	% age of shares held by employee alongwith relatives	Name of Director related to employee, if any.
1	Rajender Kumar Mehta (61) Permanent	B.Tech (36)	MANAGER	242064	01.05.2019	NA	0	NO
2	Devender kumar (48) Permanent	8th (26)	M/C OPERATER	226389	01.05.2019	NA	0	NO
3	Vivek(37) Permanent	8th (15)	M/C OPERATER	197474	01.08.2017	NA	0	NO
4	Chandan(26) Permanent	8th (5)	M/C OPERATER	195082	01.08.2017	NA	0	NO
5	Sunder Singh(52) Permanent	GRADUATE (30)	ACCOUNTANT	103770	01.03.2007	NA	0	NO
6	Munu(37) Permanent	8th (12)	Electrician	77281	11.11.2014	NA	0	NO
7	Anoop kumar(35) Permanent	ACS 4 YEARS(11)	Company Secretary	70832	08.06.2019	NA	0	NO
8	Sat Naryan(41) Permanent	8th (20)	M/C OPERATER	67556	22.10.2017	NA	0	NO
9	Abdul Halim Ansari (58) Permanent	B.Tech (23)	MANAGER	60467	01.02.2020	NA	0	NO
10	Krishan Kumar(46) Permanent	10 <sup>th</sup> (23)	M/C OPERATER	60049	01.12.2016	NA	0	NO

### Corporate Governance Report for the Financial Year 2019-2020

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and the report contains the details of Corporate Governance systems and processes at United Textiles Limited.

At our Company, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the six core values viz. Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence.

#### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations.

The basic philosophy of corporate governance in the company is:-

## UNITED TEXTILES LIMITED

- Fair and transparent business practices.
- Effective Management Control by Board.
- Compliance of laws.
- Transparent and timely disclosure of Financial and Management Information.
- Adequate representation of Promoter, Executive and Independent Directors on the Board.
- Accountability for performance.

### ETHICS / GOVERNANCE POLICIES

At our Company, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. The policies adopted by the Company is placed on the website of the company on [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com).

### CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct and Our Code (the Codes) applicable to the Directors and employees. The Codes give guidance and support needed for ethical conduct of business and compliance of law. The Codes reflect the core values of the Company viz. Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence.

### CORPORATE GOVERNANCE PRACTICES

Our Company maintains the highest standards of Corporate Governance. It is the Company's constant endeavour to adopt the best Corporate Governance practices keeping in view the international codes of Corporate Governance and practices of well-known global companies.

### BOARD OF DIRECTORS

The size and composition of the Board confirms to the requirements of the code on Corporate Governance under the SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) REGULATION, 2015 with BSE Limited, Mumbai.

During the Financial Year 2019-2020, the Board of Directors met 4 times on: 30.05.2019, 13.08.2019, 13.11.2019 & 13.02.2019.

#### (a) Constitution of the Board and related information

Name of Director	Category	No. of Board Meetings During The Year 2019-2020		Last Annual General Meeting Attended Held on 28 <sup>th</sup> , Sept 2019	Number of Directorships in other Public Companies	No. of membership/ chairmanship in other Board Committee	
		Held	Attended			Chairman	Member
Sh. Arun Kumar	Promoter and Executive Director	4	4	Yes	0	0	2
Smt. Shalini Aggarwal * DIN - 00248578	Non-Executive Director	4	4	Yes	0	0	2
Sh. Vinod Kumar Aggarwal *DIN- 01614768 (up to 12.02.2020)	Non-Executive Director	3	3	Yes	0	0	0
Sh. Anil Kumar Gupta DIN - 06726726 (up to 12.11.19)	Non-Executive & Independent Director	2	1	NO	0	2	1

## UNITED TEXTILES LIMITED

Sh. Ashok Chhogmal Aggarwal DIN- 07011524 (up to 12.11.19)	Non-Executive & Independent Director	2	1	NO	0	1	1
Sh. Amit Kumar Aggarwal DIN-07079171 (w.e.f.13/02/2020)	Promoter and Executive Director	1	1	NO	0	0	2
Sh. Amit Bansal DIN- 08623244 (w.e.f.13/11/2019)	Non-Executive & Independent Director	2	1	NO	0	1	2
Sh. Sandeep Garg DIN- 08622421 (w.e.f.13/11/2019)	Non-Executive & Independent Director	2	1	NO	0	2	1

\* Sh. Arun Kumar Aggarwal, Smt. Shalini Aggarwal, Sh. Vinod Kumar Aggarwal and Sh. Amit Kumar Aggarwal are related to each other.

As required by the Companies Act, 2013 and SEBI Listing Regulations, none of the directors

1. Hold directorship in more than 10 public companies or
2. Independent Directorship in more than 7 listed companies or
3. Holding whole time Directorship along with holding Independent Directorship in more than 3 Listed companies or
4. Holding membership of committees of the Board in excess of 10 (Audit Committee/ stakeholders Relationship committee) or chairmanship of 5 committees of the Board.

During the year, information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.

The company issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013.

The independent directors fulfill the conditions specified in these regulations and are independent of the management.

The company has formulated a policy to familiarize the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programs. Such familiarization program is available at [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com)

### (b) Independent Directors Meeting

As required under the Companies Act, 2013 and SEBI Listing Regulations a separate meeting of Independent Directors of the Company was held on 18th March, 2020. Both the Independent Directors viz. Sh. Amit Bansal & Sh. Sandeep Garg have attended the meeting.

The Independent Directors, Inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

### Shareholding of Non-Executive Director

S. No.	Name of the Director	No. of Shares held
1	Sh. Ashok Chhogmal Aggarwal (up to 12.11.2019)	Nil
2	Smt. Shalini Aggarwal	68600
3	Sh. Anil Kumar Gupta (up to 12.11.2019)	Nil
4	Sh. Vinod Kumar Agarwal (up to 12.02.2020)	96800
5	Sh. Amit Bansal (w.e.f. 13.11.2019)	Nil
6	Sh. Sandeep Garg (w.e.f. 13.11.2019)	Nil

## UNITED TEXTILES LIMITED

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### **(C) Code of Conduct for Board members and Senior Management**

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. Additionally all Independent directors of the company shall be bound by duties of Independent directors as set out in the Companies Act, 2013 read with the Schedules and Rules thereunder.

All the Board members and Senior Management personnel have affirmed compliance with the code of conduct.

### **(d) Disclosure of Directors Inter-se Relationships**

Sh. Arun Kumar Aggarwal, Smt. Shalini Aggarwal, Sh. Vinod Kumar Aggarwal & Amit Kumar Aggarwal are related to each other.

### **(e) Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulation, a separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Remuneration as well as Share Transfer & shareholders/investors grievances committee. The Directors expressed their satisfaction with the evaluation process.

### **(f) Conflict of Interests**

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

### **(g) Insider Trading Code**

The Company has adopted Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **(h) Policy for Preservation of Documents**

In accordance with regulation 9 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the board has during the year adopted a policy for preservation of documents.

### **(i) Policy for Determination of Materiality of the Disclosure of Events & Information**

In accordance with regulation 30(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 a policy has been adopted regarding disclosures of any events or information which, in the opinion of the board of directors is material.

### **(j) Archival Policy**

In accordance with regulation 30(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 an archival policy has been adopted during the year.

## **BOARD COMMITTEES**

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has three committees i.e. Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

### **(a) Audit Committee**

1 The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

2. The terms of reference of the audit committee are broadly as under:

- i. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Committee acts as a link between the Management, Auditors and

## UNITED TEXTILES LIMITED

- the Board of Directors of the Company and has full access to the financial information.
- ii. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and ensuring timely submission to statutory authorities.
- iii. Reviewing the Management Discussion & Analysis of financial and operational performance.
- iv. Reviewing with the management, the quarterly financial statements and annual financial statements and auditor's report thereon before submission to the board for approval.
- v. Review the adequacy and effectiveness of the company's system and internal control.
- vi. Evaluation of internal financial controls and risk management systems.
- vii. To review the functioning of the Whistle Blower mechanism.

### **Audit & other duties**

- i. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- ii. Discussion with internal auditors of any significant findings and follow up there on.
- iii. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
- iv. To recommend to the Board the remuneration of the Statutory Auditors and Internal auditors.
- v. To grant approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board.

The Audit Committee has three members at a time as per the details given in the Director Report supra. All Members of the Audit Committee are financially literate.

During the Financial Year 2019-20, the Audit Committee met 4 times on 20.05.2019, 08.08.2019, 09.11.2019 & 11.02.2020. The attendance of the members of the Committee is given below:

Committee Members	Category	No. of Audit Committee Meetings Attended
Sh. Anil Kumar Gupta (up to.12.11.2019)	Non-Executive, Independent Director	3
Sh. Ashok Chhogmal Aggarwal (up to.12.11.2019)	Non-Executive, Independent Director	3
Sh. Arun Kumar Aggarwal (up to .12.02.2020)	Executive Director	4
Sh. Amit Kumar Aggarwal (w.e.f .13.02.2020)	Executive Director	0
Sh. Amit Bansal (w.e.f.13.11.2019)	Non-Executive, Independent Director	1
Sh. Sandeep Garg (w.e.f.13.11.2019)	Non-Executive Independent Director	1

### **(b) Nomination & Remuneration Committee**

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and others;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

## UNITED TEXTILES LIMITED

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms. The Committee comprises of following members.

The committee met once during the year on 04.04.2019 and was attended by all the three members as per the detail given below

Committee Members	Category	No. of Committee Meetings Attended
Sh. Anil Kumar Gupta (up to.12.11.2019)	Non-Executive, Independent Director	1
Sh. Ashok Chhogmal Aggarwal (up to.12.11.2019)	Non-Executive, Independent Director	1
Smt .Shalini Aggarwal	Non -Executive Director	1
Sh. Amit Bansal (w.e.f.13.11.2019)	Non-Executive, Independent Director	0
Sh. Sandeep Garg (w.e.f.13.11.2019)	Non-Executive, Independent Director	0

**Remuneration Policy:** The Whole Time Director is paid remuneration approved by the Board of Directors on the recommendation of Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders at the Annual General Meeting and such other authorities as the case may be. The Non-Executive Directors do not draw any remuneration from the company.

**Performance evaluation criteria for Directors:** The Nomination and Remuneration Committee has devised a criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provides certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines. The detail relating to remuneration of Directors, as required under regulation 34 read with Schedule 5 of the Listing Regulation, have been given hereunder. However, The Executive Director Sh. Arun Kumar Aggarwal has decided to Forego his salary to strengthen the profitability of company

**Remuneration paid to Sh. Arun Kumar Aggarwal, Executive Director for the F.Y. 2019-2020**

Salary	Nil
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**Note :** None of the non-executive directors has any pecuniary relationship or transaction vis-à-vis the company.

### (c) Stakeholder Relationship Committee

In terms of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and erstwhile Clause 49 of the Listing Agreement, the Board re-named the then 'Shareholders / Investors Grievance Committee' as the 'Stakeholders Relationship Committee'.

The broad terms of reference of the stakeholders' relationship committee are as under:

- (i) Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / Annual reports, etc. and all other securities-holders related matters.
- (ii) Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- (iii) The committee consists of the following Directors as its members:
  1. Sh. Anil Kumar Gupta, Chairman Non Executive & Independent Director (up to 12.11.19)
  2. Sh. Arun Kumar Aggarwal, Member Executive Director (up to 12.11.19)

## UNITED TEXTILES LIMITED

3. Smt. Shalini Aggarwal, Member Non Executive Director (up to .12.02.20)
4. Sh. Sandeep Garg, Chairman Non-Executive & Independent Director (w.e.f. 13.11.19)
5. Sh. Amit Bansal, Member Non-Executive & Independent Director (w.e.f. 13.11.19)
6. Sh. Amit Kumar Aggarwal, Member Executive Director (w.e.f. 13.02.20)

No Complaint Received from any Investor During the Year.

The Committee met twice during the financial year on 29.01.20 & 27.02.20. The attendance of the members of the Committee is given below:

Committee Members	Category	No. of Stakeholders Relationship Committee Meeting Attended
Sh. Anil Kumar Gupta (up to 12.11.19)	Chairman Non-Executive, , Independent Director	-
Smt. Shalini Aggarwal ( up to 12.02.20)	Non-Executive Director	1
Sh. Amit Kumar Aggarwal, (w.e.f .13.02.2020)	Executive Director	1
Sh. Amit Bansal, (w.e.f.13.11.2019)	Non-Executive, Independent Director	2
Sh .Sandeep Garg (w.e.f.13.11.2019)	Chairman Non-Executive, Independent Director	2
Sh. Arun Kumar Aggarwal (up to 12.11.2019)	Member Executive Director	--

### (a) COMPLIANCE

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules framed thereunder, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India.

### (b) RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Committee members for their comments as prescribed under the Secretarial Standard-1. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has no subsidiaries, Joint ventures or Associate Companies & therefore the Company does not require filing the details of financial performance of Subsidiary/Joint Venture/Associate Company in form AOC-1.

### CEO/CFO CERTIFICATION

In terms of Regulation 17(8) of SEBI Listing Regulation, the chief executive officer and the chief financial officer shall provide the compliance certificate to the board of directors as specified in Part B of Schedule II of the said regulation. In terms of Regulation 33(2)(a) of SEBI Listing Regulation, the CEO & CFO certified the quarterly financial results while placing the financial result before the Board.

### PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

### DIRECTORS' PROFILE

A brief resume of Directors, nature of their expertise in specific functional areas are put up on the Company's website i.e. [www.unitedtextileslimited.com](http://www.unitedtextileslimited.com)

### DISCLOSURES

The Company has adopted a Related Party Transaction Policy. The transactions with related parties are monitored

## UNITED TEXTILES LIMITED

In accordance with the policy. There were no materially significant related party transactions that would have potential conflict with the interests of the Company at large. Details of related party transactions are given elsewhere in the Annual Report as per Accounting Standard.

It is confirmed that:

- No penalty or strictures have been Imposed on the Company by any Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets during the last three years. However, the company was placed under the list of shell companies, which was later on removed by BSE. Further the Company has received certain letter from BSE for some Technical lapses which were duly replied by the Company.
- A Whistle Blower Policy is adopted by the Company, the whistle blower mechanism is in vogue and no personnel have been denied access to the Audit Committee.
- There has been no deviation from the Accounting standards in preparation of annual accounts for the financial year 2019-20.
- All the mandatory requirements of Corporate Governance as prescribed under SEBI Listing Regulation have been duly complied with.
- The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

### GENERAL BODY MEETINGS

The location, date and time, where last three Annual General Meetings were held :

Year	Location	Date	Time
2016-2017	.....	Friday, 29.09.2017	11.00 A.M.
2017-2018	7th K.M. Stone Barwala Road, Hisar – 125 001	Saturday, 29.09.2018	11.00 A.M.
2018-2019	7th K.M. Stone Barwala Road, Hisar – 125 001	Saturday, 28.09.2019	11.00 A.M.

The details of special resolutions passed in the previous three Annual General Meetings:

Sr. No.	Date of AGM	Item of Special Resolution
1	29.09.2017	None
2	29.09.2018	None
3	28.09.2019	Two Independent Directors were Re - Appointed

No resolution was passed through postal ballot last year.

### MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the annual, half-yearly and quarterly Financial Results in the proforma prescribed by the Stock Exchanges. These results are promptly submitted to BSE Limited, Mumbai, where shares of the company are listed. The same are also published in national and regional newspapers Vypar Bharti (Regional Language) & The Pioneer (English Language).

### GENERAL SHAREHOLDERS INFORMATION

#### 27<sup>th</sup> Annual General Meeting

Day, Date & Time : Saturday, 30<sup>th</sup> September, 2020 at 11.00 A.M.  
 Venue : 7<sup>th</sup> K.M. Stone, Barwala Road, Hisar (Haryana)  
 Financial Year : 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020  
 Date of Book Closure : 29<sup>th</sup> September, 2020 to 30<sup>th</sup> September, 2020 (Both days inclusive)  
 Listing on Stock Exchange : BSE Limited, Mumbai  
 Listing fees paid timely : Yes but late  
 Stock Code : 521188  
 Demat ISIN In NSDL & CDSL : INE727E01012  
 Financial Calendar : The Board of Director of the Company approves audited/unaudited results for each quarter within such number of days as may be prescribed under Listing Agreement from time to time.

## UNITED TEXTILES LIMITED

Market Price Data : High, Low during each month in the financial year 2019-2020:

MONTHS	HIGH PRICE	LOW PRICE
APRIL, 2019	7.93	7.93
MAY, 2019	8.60	7.55
JUNE, 2019	8.27	8.27
JULY, 2019	8.27	7.86
AUGUST, 2019	8.27	7.86
SEPTEMBER, 2019	7.86	7.75
OCTOBER, 2019	7.75	7.75
NOVEMBER, 2019	7.75	7.50
DECEMBER, 2019	7.50	7.13
JANUARY, 2020	7.13	7.12
FEBRUARY, 2020	7.12	7.12
MARCH, 2020	7.12	7.12

These data is from BSE Site :[www.bseindia.com](http://www.bseindia.com)

### Reconciliation of Share Capital Audit

A Chartered Accountants carried out the Share Capital Reconciliation Audit to reconcile the total Issued and paid up capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the total number of Shares in the physical form and the total number of dematerialized shares held with NSDL and CDSL.

### Registrar & Transfer Agent (RTA)

All the works relating to the shares registry both for the shares held in the physical as well in the electronic form (demat) are being done at the single point and for this purpose SEBI Registered Category - I Registrar and Share Transfer Agent has been appointed w.e.f. 01/09/2003 whose address is as under :-

**INDUS PORTFOLIO PRIVATE LIMITED**

**G-65, BALI NAGAR**

**New Delhi-110015**

**Tel. No. : 011-47671217, 011-47671214, 011-47671206**

**Email : [janan.m@indusinvest.com](mailto:janan.m@indusinvest.com)**

### Share Transfer System

63.13% of the equity shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with Indus Portfolio Private limited at the above mentioned address.

With regard to transfer of equity shares in physical form, the shares transfer instrument, received in physical form, are processed by our R&T Agents, Indus Portfolio Private limited & the shares certificates are dispatched with in a period of 30 days from the day of receipt thereafter subject to the documents being complete and valid in all respects.

As per the requirement of Regulation 40(9) of SEBI Listing Regulation, company has regularly obtained the necessary certificate from a company secretary in practice and submitted the same to BSE Limited on half-yearly basis, confirming due compliance of share transfer related activities by the Company.

### Distribution of Shareholding as on 31.03.2020:

No. of equity shares held	Total Holders	% of share holder	No. of shares held	% of share holding
Upto 500	3698	89.39	487236	16.24
501 to 1000	201	4.86	165012	5.50
1001 to 5000	156	3.77	370928	12.36

## UNITED TEXTILES LIMITED

5001 to 10000	41	0.99	296050	9.87
10001 to 20000	16	0.38	251914	8.40
20001 to 30000	4	0.10	99800	3.33
30001 to 40000	8	0.19	274700	9.16
40001 to 50000	3	0.07	143500	4.78
50001 to 100000	6	0.15	412483	13.75
100001 and above	4	0.10	498377	16.61
<b>TOTAL</b>	<b>4137</b>	<b>100.00</b>	<b>3000000</b>	<b>100.00</b>

Shareholding Pattern as on 31.03.2020:

Category	No. of Shares	% of Paid-up Capital
Indian Promoters	962433	32.08
Private Corporate Bodies	44747	1.49
Indian Public	1992820	66.43
<b>TOTAL</b>	<b>30,00,000</b>	<b>100.00</b>

**Dematerialisation of Shares** : As on 31<sup>st</sup> March, 2020, 18,93,975 shares (63.13%) are in Electronic Form and 11,06,025 shares (36.87%) are in Physical Form.

**Plant Location** : 7<sup>th</sup> K.M. Stone Barwala Road, Hisar – 125 001 (Haryana)

**Address for Correspondence** : United Textiles Limited  
7<sup>th</sup> K.M. Stone, Barwala Road, Hisar – 125 001 (Haryana)  
CIN – L17115HR1993PLC032092  
Ph. 9812761843 Email : unitedtextilesLtd@gmail.com

**Compliance Officer** : The name and designation of the Compliance Officer of the company as on date is Sh. Amit Kumar Aggarwal Executive Director of the company

**Compliance** : Compliance certificate obtained from the Auditors is attached to this report.

**FOR AND ON BEHALF OF THE BOARD**

**REGISTERED OFFICE:**  
7th K.M. Stone  
Barwala Road, Hisar – 125 001

**Date** : 10<sup>th</sup> July, 2020  
**Ph.** : 9812761843  
**CIN** : L17115HR1993PLC032092  
**Email** : unitedtextilesLtd@gmail.com

Shalini Aggarwal  
(Director)  
**DIN – 00248510**

Arun Kumar Aggarwal  
(Executive Director)  
**DIN – 00248578**

## UNITED TEXTILES LIMITED

### CERTIFICATE OF CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER

To  
The Board of Directors  
UNITED TEXTILES LIMITED

I, Arun Kumar Aggarwal, Chief Financial Officer of UNITED TEXTILES LIMITED certify that :

I have reviewed the financial statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2020 and to the best of our 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 Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31<sup>st</sup> March, 2020 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. I accept responsibility for establishing and maintaining Internal controls for financial reporting and that we have evaluated the effectiveness of Internal control system 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.
5. I further certify that we have indicated to the Auditors and the Audit Committee :
  - a) There have been no Significant changes in Internal control over financial reporting system during the year.
  - b) There have been no significant changes in accounting policies during the year except for the changes disclosed in the notes to the financial statements, if any; and
  - c) There have been no Instances of 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.

PLACE :HISAR  
Date : 10<sup>TH</sup> July, 2020

Arun Kumar Aggarwal  
(CHIEF FINANCIAL OFFICER)

## UNITED TEXTILES LIMITED

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **United Textiles Limited** having CIN **L17115HR1993PLC032092** and having registered office at 7<sup>th</sup> K.M.StoneBarwala Road, Hisar-125001 (Haryana) (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	ARUN KUMAR AGARWAL	0000248510	01/03/1997
2	SHALINI AGGARWAL	0000248578	25/08/2005
3	AMIT BANSAL	0008623244	13/11/2019
4	SANDEEP GARG	0008622421	13/11/2019
5	AMIT KUMAR AGGARWAL	0007079171	13/02/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. 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.

Place :Hisar  
Date :09/06/2020  
UDIN Number :A011056B000327504

Anju Jain  
Practicing Company Secretary  
ACS : 11056 C.P. No: 2728

# **UNITED TEXTILES LIMITED**

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## **CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members,  
**United Textiles Limited,**

We have examined the compliance of the conditions of the Corporate Governance by United Textiles Limited ("the Company") for the Financial Year ended 31<sup>st</sup> March, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (l) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "Listing Regulations"].

The compliance of the conditions of the Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither audit nor an expression of the opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned "Listing Regulations" as applicable during the year ended 31<sup>st</sup> March, 2020.

We further state that such compliance 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 N.C. Aggarwal & Co.**  
**Chartered Accountants**  
**Firm Registration No. 003273N**

Place: New Delhi

**G.K. Aggarwal**  
(Partner)  
M. No. 086622  
UDIN:20086622AAABDY3267

# UNITED TEXTILES LIMITED

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## INDEPENDENT AUDITORS' REPORT

To  
The Members of UNITED TEXTILE LIMITED

### Report on the Financial Statements Opinion

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

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

#### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with 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 standalone financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our 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 of our opinion.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone 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

## UNITED TEXTILES LIMITED

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influence the economic decisions of users taken on the basis of these standalone 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2020 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 Act, we give in the Annexure 'A' a

## UNITED TEXTILES LIMITED

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statement on the matters specified in the paragraph 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 Annexure 'B'.
- (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 :
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (h) The Company has paid/provided for managerial remuneration to whole-time director in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

For P.C. Goyal & Co.,  
Chartered Accountants  
Firm Registration No. 002368N

(M.P. Jain)  
Partner  
M. No. 082407  
Dated: 10<sup>th</sup> July, 2020  
Place: Hisar  
UDIN:20082407AAAAU6668

## **UNITED TEXTILES LIMITED**

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### **ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT**

(Annexure referred to in our report of even date to the members of **UNITED TEXTILE LIMITED** on the accounts for the year ended March 31, 2020)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) The fixed assets of the Company have been physically verified by the management during the year and we are informed that no serious discrepancies have been noticed by the management on such verification.  
(c) According to the information and the explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The management has conducted physical verification of inventory at reasonable intervals during the year. On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the order are not applicable to the company and hence not commented upon.
4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the company and hence not commented upon.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. According to the information and explanations given to us, the maintenance of cost records as specified by the Central Government under sub-section (l) of section 148 of the Companies Act, 2013 is not applicable to the company.
7. (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues as applicable to the Company i.e. provident fund, income tax and goods & service tax. There are no arrears as at 31st March, 2020 for a period of more than six months from the date they become payable.  
(b) According to the information and explanations given to us, there are no material dues in respect of income tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute. To the best of our knowledge and as explained, the Company does not have any other statutory dues i.e. wealth tax, duty of customs as mentioned in para (vii) (b) of the Order.
8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions and banks. The company does not have any dues to government and debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. In our opinion, and according to the information and explanation given to us, the term loans

## **UNITED TEXTILES LIMITED**

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have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.

10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
11. The Company has paid/provided for managerial remuneration to whole-time director in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Act, and where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private allotment of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.

**For P.C. Goyal & Co.,**  
Chartered Accountants  
Firm Registration No. 002368N

**(M.P. Jain)**  
Partner  
M. No. 082407  
Dated: 10<sup>th</sup> July, 2020  
Place: Hisar  
UDIN: 20082407AAAAAU6668

# UNITED TEXTILES LIMITED

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## **ANNEXURE-B TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended March 31, 2020.

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

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

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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 Companies Act, 2013. (The "Act" or the "Companies 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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.

## **UNITED TEXTILES LIMITED**

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### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

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

**For P.C. Goyal & Co.,**  
Chartered Accountants  
Firm Registration No. 002368N

**(M.P. Jain)**  
Partner  
M. No. 082407  
Dated: 10<sup>th</sup> July, 2020  
Place: Hisar  
UDIN: 20082407AAAAAU6668

# UNITED TEXTILES LIMITED

## Balance Sheet as at March 31, 2020

CIN No. L17115HR1993PLC032092

(Amount in Rs.)

Particulars		Note No	As at March 31, 2020	As at March 31, 2019
<b>I</b>	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	1	108,661,196	94,651,972
	(b) Capital work-in-progress		-	-
	(c) Financial Assets			
	(i) Other Financial Assets	2	1,706,836	1,403,121
(2)	<b>Current assets</b>			
	(a) Inventories	3	41,427,985	36,164,319
	(b) Financial Assets			
	(i) Trade Receivables	4	14,464,165	9,542,417
	(ii) Cash and cash equivalents	5	533,828	223,412
	(iii) Bank balances other than (ii) above	6	1,749,792	1,618,527
	(iv) Other Financial Assets	7	39,358	30,609
	(c) Current Tax Assets (Net)	8	32,197	-
	(d) Other Current Assets	9	6,034,908	2,254,388
	<b>TOTAL ASSETS</b>		<b>174,650,265</b>	<b>145,888,766</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' Funds</b>			
	(a) Equity Share capital	10	30,000,000	30,000,000
	(b) Other Equity		74,361,852	73,886,001
(2)	<b>Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	11	11,079,675	-
	(b) Provisions	12	289,008	506,645
(3)	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	13	26,811,137	25,964,206
	(ii) Trade payables	14	22,551,098	11,084,670
	(iii) Other financial liabilities	15	5,100,932	4,234,901
	(b) Current Tax Liabilities (Net)	16	15,151	167,712
	(c) Other Current Liabilities	17	4,437,567	34,105
	(d) Provisions	18	3,845	10,526
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>174,650,265</b>	<b>145,888,766</b>

Significant accounting policies and notes to the financial statements

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In terms of our report of even date annexed hereto

For P.C. Goyal & Co.,  
Chartered Accountants  
Firm Registration No. 002368N

ARUN KUMAR AGGARWAL  
(Whole-time Director)  
DIN No: 00248510

(M.P. Jain)  
Partner  
M. No. 082407  
Place : Hisar  
Date: July 10, 2020

SHALINI AGGARWAL  
(Director)  
DIN No: 00248578

# UNITED TEXTILES LIMITED

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

(Amount in Rs.)

Particulars		Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
(I)	Revenue from operations (Gross)	19	89,272,553	67,565,065
	Less : Excise Duty		-	-
	Revenue from operations (Net)		89,272,553	67,565,065
(II)	Other Income	20	258,627	168,921
(III)	<b>Total Revenue (I+II)</b>		<b>89,531,180</b>	<b>67,733,986</b>
(IV)	<b>Expenses:</b>			
	Cost of materials consumed	21	68,303,837	44,687,968
	Changes in inventories of finished goods, work in progress and Stock-in-trade	22	(6,705,965)	(418,520)
	Employee benefits expense	23	2,931,964	2,783,816
	Finance costs	24	2,991,029	2,541,199
	Depreciation and amortisation expense	25	2,519,787	2,952,206
	Other expenses	26		
	Manufacturing Expenses		17,619,250	13,308,119
	Office and Administration Expenses		1,452,803	1,551,756
	Selling and distribution expenses		76,500	50,900
	Miscellaneous Expenses		204,894	158,284
	<b>Total Expenses</b>		<b>89,394,099</b>	<b>67,615,728</b>
(V)	<b>Profit before tax (III-IV)</b>		<b>137,081</b>	<b>118,258</b>
(VI)	<b>Tax expense:</b>			
	(1) Current tax		-	167,000
	(2) Deferred tax		-	-
	(3) Tax related to previous year		2,020	4,389
(VII)	<b>Profit for the year after tax (V-VI)</b>		<b>135,061</b>	<b>(53,131)</b>
	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Re-measurement gains (losses) on defined benefit plans		340,790	67,711
	Income tax effect on above		-	(17,605)
	(b) Equity Instruments through Other Comprehensive Income (Gain on Fair valuation of Long Term Investment)		-	-
	Income tax effect on above		-	-
	<b>Total Other Comprehensive Income</b>		<b>340,790</b>	<b>50,106</b>
	<b>Total Comprehensive Income for the year</b>		<b>475,851</b>	<b>(3,025)</b>
(VIII)	<b>Earnings per equity share of face value of Rs. 10/- each.</b>			
	(1) Basic		0.16	(0.001)
	(2) Diluted		0.16	(0.001)

Significant accounting policies and notes to the financial statements

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In terms of our report of even date annexed hereto

For P.C. Goyal & Co.,  
Chartered Accountants  
Firm Registration No. 002368N

ARUN KUMAR AGGARWAL  
(Whole-time Director)  
DIN No: 00248510

(M.P. Jain)  
Partner  
M. No. 082407  
Place : Hisar  
Date: July 10, 2020

SHALINI AGGARWAL  
(Director)  
DIN No: 00248578

# UNITED TEXTILES LIMITED

UNITED TEXTILES LIMITED  
AS ON 31ST MARCH 2020  
NOT '1'

(Amount in Rs.)

## FIXED ASSETS

Particulars	Land	Factory Shed and Building	Electric Installation	Furniture & Fixtures	Plant and Machinery	Office Equipment	Vehicles	Total
Gross Block								
As at April 1, 2017	77,234,300	611,685	224,340	1,614	21,652,052	31,878	800,514	100,556,383
Additions	-	-	-	-	-	-	-	-
Sales/ Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2018	77,234,300	611,685	224,340	1,614	21,652,052	31,878	800,514	100,556,383
Additions	-	-	-	-	-	-	-	-
Sales/ Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2019	77,234,300	611,685	224,340	1,614	21,652,052	31,878	800,514	100,556,383
Additions	-	-	-	-	16,180,969	-	1,476,672	17,657,641
Sales/ Adjustments	-	-	-	-	2,372,189	-	-	2,372,189
As at March 31, 2020	77,234,300	611,685	224,340	1,614	35,460,832	31,878	2,277,186	115,841,835
Accumulated Depreciation								
As at April 1, 2017	-	-	-	-	-	-	-	-
Charge for the year	-	48,164	3,298	-	2,642,113	3,232	255,398	2,952,205
Sales/ Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2018	-	48,164	3,298	-	2,642,113	3,232	255,398	2,952,205
Charge for the year	-	48,164	3,298	-	2,642,113	3,232	255,398	2,952,205
Sales/ Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2019	-	96,328	6,596	-	5,284,226	6,464	510,796	5,904,410
Charge for the year	-	40,618	-	-	2,127,437	-	351,732	2,519,787
Sales/ Adjustments	-	-	-	-	1,243,558	-	-	1,243,558
As at March 31, 2020	-	136,946	6,596	-	6,168,105	6,464	862,528	7,180,639
Net Carrying Amount								
As at April 1, 2017	77,234,300	611,685	224,340	1,614	21,652,052	31,878	800,514	100,556,383
As at March 31, 2018	77,234,300	563,521	221,042	1,614	19,009,938	28,646	545,116	97,604,177
As at March 31, 2019	77,234,300	515,356	217,744	1,614	16,367,825	25,414	289,718	94,651,972
As at March 31, 2020	77,234,300	474,739	217,744	1,614	29,292,727	25,414	1,414,658	108,661,196

Notes:

- 1) Property, plant and equipment is hypothecated for long term borrowings from banks. (Refer note no. 11)
- 2) The Company has elected to measure land under the items of Property, Plant and Equipment at their value on date of transition (refer note no 15)

# UNITED TEXTILES LIMITED

## Notes forming part of Balance Sheet and Statement of Profit and Loss

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
<b>2</b>	<b>Other Non Current Financial Assets</b>		
	Security Deposits Unsecured, Considered good	1,706,836	1,403,121
	<b>Total Other Non Current Financial Assets</b>	<b>1,706,836</b>	<b>1,403,121</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
<b>3</b>	<b>Inventories</b>		
	Raw Materials	25,079,925	27,546,898
	Work in Progress	840,000	840,000
	Finished Goods	8,318,810	3,784,295
	Store and Spares	4,014,150	2,989,476
	Scrap	3,175,100	1,003,650
	<b>Total Inventories</b>	<b>41,427,985</b>	<b>36,164,319</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
<b>4</b>	<b>Trade Receivables</b>		
	Unsecured, Considered good	14,464,165	9,542,417
	<b>Total Trade Receivables</b>	<b>14,464,165</b>	<b>9,542,417</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
<b>5</b>	<b>Cash and Cash Equivalent</b>		
	Cash and Cash Equivalents		
	Cash on Hand	429,577	193,751
	Balances with Banks		
	Current Accounts	104,252	29,661
	<b>Total Cash and Cash Equivalent</b>	<b>533,828</b>	<b>223,412</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
<b>6</b>	<b>Other Bank Balances</b>		
<b>B.</b>	<b>Other Bank Balance</b>		
	Fixed Deposits with Banks of remaining maturity of more than three months but less than twelve months*	1,749,792	1,618,527
	<b>Total Cash and Bank Balances</b>	<b>1,749,792</b>	<b>1,618,527</b>

\*Pledge with Government Authorities

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
<b>7</b>	<b>Other Current Financial Assets</b>		
	Interest Receivable	39,358	30,609
	<b>Total Other Current Financial Assets</b>	<b>39,358</b>	<b>30,609</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
<b>8</b>	<b>Current Tax Assets</b>		
	Advance Tax (Net of Provision)	-	-
	provision		
	Tax Receivables	32,197	
	<b>Total Current Tax Assets</b>	<b>32,197</b>	<b>-</b>

## UNITED TEXTILES LIMITED

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
9	<b>Other Current Assets</b>		
	Prepaid Expenses	122,890	24,777
	Advance Recoverable in Cash or in kind		
	Unsecured, Considered good	5,711,278	1,094,497
	Advance to vendor	200,740	1,135,114
	Prepaid Bank Charges	-	-
	<b>Total Other Current Assets</b>	<b>6,034,908</b>	<b>2,254,388</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
10	<b>SHARE CAPITAL</b>		
(a)	<b>AUTHORISED CAPITAL</b>		
	32,50,000 Equity Shares of Rs. 10/- Each	32,500,000	32,500,000
		<b>32,500,000</b>	<b>32,500,000</b>
(b)	<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
	30,00,000 Equity Shares of Rs. 10/- Each	30,000,000	30,000,000
(c)	<b>RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD</b>		
	Shares outstanding at the beginning of the year	3,000,000	3,000,000
	Shares outstanding at the end of the year	<b>3,000,000</b>	<b>3,000,000</b>

**(d) Details of Shareholding more than 5% shares in the company**

S.No.	Name of shareholders	% of shareholding as on 31.03.2019	% of shareholding as on 31.03.2017
		NIL	NIL

(e)	Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:	NIL	NIL
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	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
	<b>RESERVES AND SURPLUS</b>		
	<b>Surplus in Statement of Profit and Loss</b>		
	Profit/ (Loss) Brought Forward	73,886,001	73,889,026
	Add: Fair value of land under property, plant and equipment under transition to IND AS	-	-
	Add:- Profit after tax transferred from Statement of Profit and Loss	475,851	(3,025)
	Less:- Previous Year Taxation Adjustments	-	-
	Less:- Adjustment of Depreciation as per Revised Companies Act, 2013 where useful life of asset is Nil	-	-
	<b>Total Reserves and Surplus</b>	<b>74,361,852</b>	<b>73,886,001</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
11	<b>Non Current Borrowings</b>		
	<b>Secured Long Term Borrowings</b>		
	Term Loan From Bank against Machinery*	10,519,571	-
	Loan for Vehicle	560,104	-
	<b>Total Non Current Borrowings</b>	<b>11,079,675</b>	<b>-</b>

\*Machinery loan is secured by way of hypothecation of Fixed Assets of the company. The loan is repayable in equated monthly instalment of Rs. 2,41,717/- p.m.

## UNITED TEXTILES LIMITED

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
12	<b>Non Current Provisions</b>		
	<b>For Employee Benefits</b>		
	Gratuity (unfunded)	289,008	506,645
	<b>Total Non Current Provisions</b>	<b>289,008</b>	<b>506,645</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
13	<b>Current Borrowings</b>		
A	<b>Secured Short Term Borrowings</b>		
	Working Capital Demand Loan from Bank*	19,999,920	19,244,949
	Term Loan From bank against fixed deposit	4,611,217	4,151,457
B	<b>Unsecured Short Term Borrowings</b>		
	Loan from Directors	2,200,000	2,567,800
	<b>Total Current Borrowings</b>	<b>26,811,137</b>	<b>25,964,206</b>

\*Working Capital Facility is secured by way of hypothecation of stock and book debts of the Company namely finished good, raw material, work in progress, consumable stores and spares, book debts, bill receivables and by way of First charge in respect of other moveable and immoveable properties of the Company. Working Capital Facility is repayable on demand any time during sanction tenure.

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
14	<b>TRADE PAYABLES</b>		
	Dues to Micro and Small enterprises	-	-
	Dues to other than Micro and Small enterprises	22,551,098	11,084,670
	<b>Total Trade Payables</b>	<b>22,551,098</b>	<b>11,084,670</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
15	<b>OTHER CURRENT FINANCIAL LIABILITIES</b>		
	Current Maturities of Long Term debts	2,329,403	909,266
	<b>Other Payables</b>		
	Other liabilities	2,771,529	3,325,635
	<b>Total Other Current Financial Liabilities</b>	<b>5,100,932</b>	<b>4,234,901</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
16	<b>CURRENT TAX LIABILITIES</b>		
	Provision for Income Tax(net)	15,151	167,712
	<b>Total Current Tax Liabilities</b>	<b>15,151</b>	<b>-</b>

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
17	<b>OTHER CURRENT LIABILITIES</b>		
	Advance from Customers	4,391,568	-
	Statutory Dues Payable	45,999	34,105
	<b>Total Other Current Liabilities</b>	<b>4,437,567</b>	<b>34,105</b>

## UNITED TEXTILES LIMITED

	DESCRIPTION	As at March 31, 2020	As at March 31, 2019
18	<b>Current Provisions</b>		
	a) For Employee Benefits		
	Gratuity (Unfunded)	3,845	10,526
	<b>Total Current Provisions</b>	<b>3,845</b>	<b>10,526</b>

	DESCRIPTION	Year Ended March 31, 2020	Year Ended March 31, 2019
19	<b>Gross Revenue from Operation</b>		
	<b>Sale of Product</b>		
	Sales from Operations	89,133,361	66,785,703
	<b>Other Operating Revenue</b>		
	Hank Yarn Obligation Transfer	35,192	779,362
	Miscellaneous Receipt/Sales	104,000	-
	<b>Total Gross Revenue from Operation</b>	<b>89,272,553</b>	<b>67,565,065</b>
(I)	<b>SALES</b>		
	<b>Manufactured Goods</b>		
	Cotton Yarn	81,660,571	63,203,084
	Scrap	7,472,790	3,582,619
	<b>Total Sales</b>	<b>89,133,361</b>	<b>66,785,703</b>

	DESCRIPTION	Year Ended March 31, 2020	Year Ended March 31, 2019
20	<b>Other Income</b>		
	Interest Income on Fixed Deposits/Security Deposit	185,208	168,921
	Profit on Sale of Fixed Assets	71,369	-
	Cash Discount Received	-	-
	Insurance Claim received	-	-
	Liabilities written back (INCOME TAX REFUND )	2,050	-
	<b>Total Other Income</b>	<b>258,627</b>	<b>168,921</b>

	DESCRIPTION	Year Ended March 31, 2020	Year Ended March 31, 2019
21	<b>Cost of Material Consumed</b>		
	Raw Material Consumed	68,303,837	44,687,968
	<b>Total Cost of Material Consumed</b>	<b>68,303,837</b>	<b>44,687,968</b>

	DETAIL OF RAW MATERIAL CONSUMED		
	Waste Cotton	68,303,837	44,687,968
	<b>Total Raw Material Consumed</b>	<b>68,303,837</b>	<b>44,687,968</b>

## UNITED TEXTILES LIMITED

	DESCRIPTION	Year Ended March 31, 2020	Year Ended March 31, 2019
22	<b>Changes in inventories of finished goods, work in progress and Stock-in-trade</b>		
	<b>Opening Stock</b>		
	Finished Goods- Manufactured	3,784,295	4,025,300
	Scrap	1,003,650	344,125
	Work in Progress	840,000	840,000
	<b>Total Opening Stock</b>	<b>5,627,945</b>	<b>5,209,425</b>
	<b>Closing Stock</b>		
	Finished Goods- Manufactured	8,318,810	3,784,295
	Scrap	3,175,100	1,003,650
	Work in Progress	840,000	840,000
	<b>Total Closing Stock</b>	<b>12,333,910</b>	<b>5,627,945</b>
	<b>(Increase)/Decrease in Stock</b>	<b>(6,705,965)</b>	<b>(418,520)</b>

	DESCRIPTION	Year Ended March 31, 2020	Year Ended March 31, 2019
23	<b>Employee Benefits Expenses</b>		
	Salary and Wages	2,728,239	2,588,128
	Contribution to provident and other funds	194,506	184,348
	Staff Welfare Expenses	9,219	11,340
	<b>Total Employee Benefits Expenses</b>	<b>2,931,964</b>	<b>2,783,816</b>

	DESCRIPTION	Year Ended March 31, 2020	Year Ended March 31, 2019
24	<b>Finance Cost</b>		
	<b>Interest Expenses</b>		
	Term Loan	838,225	649,558
	Working Capital	1,981,617	1,852,720
	Other Interest	44,729	30
	Bank Charges	126,459	38,891
	<b>Total Finance Cost</b>	<b>2,991,029</b>	<b>2,541,199</b>

	DESCRIPTION	Year Ended March 31, 2020	Year Ended March 31, 2019
25	<b>Depreciation and Amortisation</b>		
	Depreciation on Fixed Assets	2,519,787	2,952,206
	<b>Total Depreciation and Amortisation</b>	<b>2,519,787</b>	<b>2,952,206</b>

## UNITED TEXTILES LIMITED

	DESCRIPTION	Year Ended March 31, 2020	Year Ended March 31, 2019
26	Other Expenses		
A	Manufacturing Expenses		
	Power and Fuel	12,051,375	10,725,183
	Repairs to machinery	1,291,619	2,000
	Repair & Mtc. (Shed & Building)	43,133	-
	Consumption of Stores and Spare parts	3,351,922	2,140,681
	Packing Material	881,201	440,256
	<b>Total Manufacturing Expenses</b>	<b>17,619,250</b>	<b>13,308,120</b>
B	Office and Administration Expenses		
	Insurance	121,093	104,306
	Legal and Professional	333,450	77,100
	Postage and Telephone	60,738	85,573
	Printing and Stationary	38,140	-
	Vehicle Upkeep and Maintenance	30,038	34,850
	Sales Tax paid against Assessment	142,165	184,935
	Auditor's Remuneration		
	Audit Fees	45,000	45,000
	Fees and Subscription	277,177	428,231
	Computer Maintenance	84,000	84,000
	Annual Listing Fees	317,542	267,763
	Director's Remuneration	-	240,000
	Travelling & Convenience A/c	3,460	-
	<b>Total Office and Administration Expenses</b>	<b>1,452,803</b>	<b>1,551,758</b>
C	Selling and Distribution Expenses		
	Commission On Sales	-	-
	Advertisement and Publicity	76,500	50,990
	<b>Total Selling and Distribution Expenses</b>	<b>76,500</b>	<b>50,990</b>
D	Miscellaneous Expenses		
	Miscellaneous Expenses	204,894	158,284
	<b>Total Miscellaneous Expenses</b>	<b>204,894</b>	<b>158,284</b>
	<b>Total Other Expenses (A+B+C+D)</b>	<b>19,353,447</b>	<b>15,069,152</b>

# UNITED TEXTILES LIMITED

## UNITED TEXTILES LIMITED

### Statement of Changes in Equity for the year ended 31st March, 2020

A. Equity Share Capital	Balance as at 1st April, 2018	Changes in equity share capital during the year 2018-19	Balance as at 31st March, 2019	Changes in equity share capital during the year 2019-20	Balance as at 31st March, 2020
	3,00,00,000	-	3,00,00,000	-	3,00,00,000

B. Other Equity	Securities Premium Reserve	General Reserve	Retained Earnings	Items of Other Comprehensive Income Items that will not be reclassified to Profit and Loss	Total
Particulars					
Balance as at March 31, 2018	-	-	7,37,30,980	96,046	7,38,26,026
Profit for the year ended 31st March, 2019	-	-	(53,131)	-	(53,131)
Re-measurement gains (losses) on defined benefit plans			-	50,106	50,106
Balance as at March 31, 2019			7,37,37,849	1,46,152	7,38,84,001
Profit for the year ended 31st March, 2020			1,25,061	-	1,25,061
Re-measurement gains (losses) on defined benefit plans			-	3,40,790	3,40,790
Balance as at March 31, 2020			7,38,72,910	4,86,942	7,43,59,852

See accompanying notes forming part of the statements  
in term of our report attached

For and on behalf of Board of Directors

As per our report attached  
For P.C. Goyal & Co.,  
Chartered Accountants  
Firm Registration No. 002368N

ARUN KUMAR AGGARWAL  
(Whole-time Director)  
DIN No: 00248510

(M.P. Jain)  
Partner  
M. No. 062407  
PLACE Hisar  
Date: 10th July, 2020

SHALINI AGGARWAL  
(Director)  
DIN No: 00248578

# UNITED TEXTILES LIMITED

## Significant Accounting Policies and Notes of Financial Statement

### Note No-27

#### 1. Corporate and General Information

United Textiles Limited ("UTL") or ("the Company") is domiciled and incorporated in India. The Company is engaged in the business of manufacturing of cotton yarn.

#### 2. Basis of preparation

The financial statements have been prepared complying in all material respects with the Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

The significant accounting policies used in preparing the financial statements are set out in Note no.3 of the Notes to the Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no.4 on critical accounting estimates, assumptions and judgements).

#### 3.0 Significant Accounting Policies

##### 3.1 Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value :

- Certain financial assets and liabilities except borrowings carried at amortised cost,
- defined benefit plans – plan assets measured at fair value,
- Land under Property, plant and equipment on transition to IND AS

**3.2 Property, Plant and Equipment** Property, Plant and Equipment are carried at cost (except Land which is measured at fair value on the date of transition to IND AS) less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

For transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure land under the head "Property, Plant and Equipment" at fair value. Consequently the fair value has been assumed to be deemed cost of Land under "Property, Plant and Equipment" on the date of transition (1<sup>st</sup> April, 2016). Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Borrowing Cost (if any) during the period of construction is added to the cost of eligible tangible assets.

b) Depreciation is provided on Written down Value Method over the remaining useful life of the assets in the manner prescribed in Schedule II of the Companies Act, 2013.

c) The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

##### 3.3 Intangible Assets

Identifiable Intangible assets are recognised:

- a) when the Company controls the asset,
- b) it is probable that future economic benefits attributed to the asset will flow to the Company and
- c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

##### 3.4 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the

## UNITED TEXTILES LIMITED

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carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

### 3.5 Cash and cash equivalents

Cash and cash equivalents includes Cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

### 3.6 Inventories

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

### 3.7 Employee benefits

a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Leave encashment being a short term benefit is accounted for using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss.

### 3.8 Foreign currency reinstatement and translation

#### (a) Functional and presentation currency

The financial statements have been presented in Indian Rupees, which is the Company's functional and presentation currency.

#### (b) Transactions and balances

The Company does not have any foreign currency transactions and therefore, exchange risk including foreign currency sensitivity is not applicable.

### 3.9 Financial Instruments – Initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets or financial liabilities (Other than financial assets and financial liabilities at fair value through profit and loss account) are added to or deducted from fair value measured initial recognition of financial asset or financial liability.

Financial Assets and liabilities are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and liabilities and the assets and liabilities contractual cash flow characteristics.

## UNITED TEXTILES LIMITED

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### **Financial Assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest amount outstanding.

### **Financial Assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

### **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liability at fair value through profit or loss are immediately recognised in profit or loss.

### **Financial Liabilities**

Financial liabilities including interest bearing loans and borrowings and trade payables are subsequently measured at amortised cost using the effective interest rate method (EIR) except those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

### **3.10 Borrowing costs**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporary deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

### **3.11 Taxation**

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is

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no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### **3.12 Revenue recognition and other income**

#### **Sale of Goods**

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Material returned/ rejected is accounted for in the year of return/ rejection.

#### **Interest**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

### **3.13 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

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

### **3.14 Provisions and contingencies**

#### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

#### **Contingencies**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### **3.15 Leases**

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. And in case entity is lessor, it identifies whether the lease is defined as finance or operating lease as per the criteria given in Ind As 116. In case of Operating lease, an entity recognises lease payment as Income on straight line basis in case of Finance lease, an entity initial measurement

- (i) derecognises the carrying amount of underlying assets
- (ii) recognise the net investment in lease
- (iii) recognise profit and loss on selling profit or selling loss

and on subsequent measurement, entity recognises finance income over the lease period and reduces the net investment in the lease for lease payment received and recognise income from any variable lease payments and recognises any impairment of the net investment in the lease

### 3.16 Current /non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is :

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

- (a) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

- (b) Income taxes

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Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

### (c) Contingencies

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

### 5. Financial risk management

#### Financial risk factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has short term current investments only. The Company's activities expose it to a variety of financial risks:

#### i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other risk which is equity price risk and commodity risk. The Company is not exposed to the aforesaid risk as the Company does not have any transactions in foreign currency and its borrowings accounted for on account of preference capital is at fixed rate of interest.

#### ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

#### iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

#### Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. However, such effect is not material.

#### (a) Interest rate risk and sensitivity

The Company does not have any liability for borrowings at floating rate of interest. Hence, interest risk and sensitivity is not applicable.

#### Interest rate & currency of borrowings

The below table demonstrate the borrowing of fixed and floating rate of interest

(Amount in Rs.)

Particulars	Total borrowings	Floating rate borrowings
INR	4,02,20,215	2,91,40,540
<b>Total as at March 31, 2020</b>	<b>4,02,20,215</b>	<b>2,91,40,540</b>
INR	2,68,73,472	2,68,73,472
<b>Total as at March 31, 2019</b>	<b>2,68,73,472</b>	<b>2,68,73,472</b>

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### Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

- Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing of trade receivable is as below:

(Amount in Rs.)

Particulars	Neither due nor impaired	Past due			Total
		upto 6 months	6 to 12 months	Above 12 months	
<b>As at March 31, 2020</b>					
Trade receivable					
Unsecured	-	1,13,24,284	-	31,39,881	1,44,64,165
Gross Total	-	1,13,24,284	-	31,39,881	1,44,64,165
Provision for doubtful	-				-
Net Total	-	1,13,24,284	-	31,39,881	1,44,64,165
<b>As at March 31, 2019</b>					
Trade receivable					
Unsecured	-	64,02,536	-	31,39,881	95,42,417
Gross Total	-	64,02,536	-	31,39,881	95,42,417
Provision for doubtful	-				-
Net Total	-	64,02,536	-	31,39,881	95,42,417

### Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements.. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall , the company uses mix of capital infusion and borrowing from its holding company. However, the company envisage that such short fall is temporary and the company would generate sufficient cash flows as per approved projections.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in Rs.)

Particulars	Carrying Amount	On demand	Ageing as on 31st March 2020			Total
			< 6 months	6-12 months	> 1 years	
Interest bearing borrowings	4,02,20,215	-	-	2,91,40,540	1,10,79,675	4,02,20,215
Trade payable	2,25,51,098	-	1,75,50,519	29,17,224	20,83,355	2,25,51,098
Other liabilities	27,71,529	-	18,93,260	13,150	8,65,119	27,71,529
Total	6,55,42,842	-	1,94,43,779	3,20,70,914	1,40,28,149	6,55,42,842

Particulars	Carrying Amount	On demand	Ageing as on 31st March 2019			Total
			< 6 months	6-12 months	> 1 years	
Interest bearing borrowings	2,68,73,472	-	-	2,68,73,472	-	2,68,73,472
Trade payable	1,10,84,670	-	99,71,778	7,12,892	4,00,000	1,10,84,670
Other liabilities	33,25,635	-	15,54,566	3,12,850	14,58,219	33,25,635
Total	4,12,83,777	-	1,15,26,344	2,78,99,214	18,58,219	4,12,83,777

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The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.

### Capital risk management

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2019-20 and 2018-19 is as under

(Amount in ₹)

Particulars	As of March 31, 2020	As of March 31, 2019
Loans and borrowings	4,02,20,215	2,68,73,472
Less: cash and cash equivalents	5,33,828	2,23,412
Net debt	3,96,86,387	2,66,50,060
Equity	10,38,86,001	10,38,86,001
Total capital	14,35,72,388	13,05,36,061
Gearing ratio	27.64%	20.42%

### 6. Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
- In mutual funds and others	-	-	-	-
Financial assets designated at amortised cost				
Fixed deposits with banks	17,49,792	17,49,792	16,18,527	16,18,527
Cash and bank balances	5,33,828	5,33,828	2,23,412	2,23,412
Trade and other receivables	1,44,64,165	1,44,64,165	95,42,717	95,42,717
Other financial assets	17,46,194	17,46,194	14,33,730	14,33,730
	1,84,93,979	1,84,93,979	1,28,18,386	1,28,18,386
Financial liabilities designated at amortised cost				
Borrowings- floating rate	4,02,20,215	4,02,20,215	2,68,73,472	2,68,73,472
Trade & other payables	2,25,51,098	2,25,51,098	1,10,84,670	1,10,84,670
Other financial liabilities	27,71,529	27,71,529	33,25,635	33,25,635
	6,55,42,842	6,55,42,842	4,12,83,777	4,12,83,777

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### Fair Value hierarchy

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices/NAV for Identical Instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 2 as described below:

#### Assets / Liabilities for which fair value is disclosed

(Amount in Rs.)

Particulars	As at March 31, 2020		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- floating rate		4,02,20,215	
Other financial liabilities		27,71,529	

Particulars	As at March 31, 2019		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- floating rate		2,68,73,472	
Other financial liabilities		33,25,635	

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 2

March 31, 2020 and March 31, 2019, respectively:

#### a) Assets / Liabilities for which fair value is disclosed

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities			
Other borrowings- fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

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### 7. Segment Information

#### Information about primary segment

Company operates in a Single Primary Segment (Business Segment) i.e. Cotton Yarn.

#### Information about Geographical Segment – Secondary

The Company's operations are located in India. The Management has not identified any geographical segment.

### 8. Income tax expense

Particulars	(Amount in Rs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax:	-	1,67,000
	-	1,67,000
Deferred tax liability/(Asset)		
- Relating to origination & reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
Tax expense attributable to current year's profit	-	-
Adjustments in respect of Income Tax of previous year		
- Current Tax	2,020	4,389
- Deferred Tax Tax	-	-
	2,020	4,389
MAT		
Mat Credit entitlement	-	-
Mat Credit utilisation	-	-
	-	-
Total Tax expense	2,020	1,71,389

### Effective Tax Reconciliation

A reconciliation of the theoretical income tax expense / (benefit) applicable to the profit / (loss) before income tax at the statutory tax rate in India to the income tax expense / (benefit) at the Company's effective tax rate is as follows:

S.No	Description	(Amount in Rs)	
		For the year ended March 31, 2020	For the year ended March 31, 2019
	Net Loss/(Income) before taxes	1,37,081	1,18,258
	Enacted tax rates for parent company	25.168%	26.000%
	Computed tax income/(expense)	34,501	30,747
	Increase/(reduction) in taxes on account of:		
1	Amount on which no deferred tax created and change in tax rate (Net of disallowance)	-34,501	1,36,253
2	Previous year taxation	2,020	4,389
	Income tax expense reported	2,020	1,71,389

### 9. Deferred Income tax

There is not material deferred tax asset or liability which can be created on account of reasonable certainty.

### 10. Retirement benefit obligations

#### 10.1. Expense recognised for Defined Contribution plan

Particulars	(Amount in Rs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Company's contribution to provident fund	1,47,699	1,21,616
Company's contribution to ESI	46,807	62,732
Company's contribution to superannuation fund	-	-
Total	1,94,506	1,84,348

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Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2020 and March 31, 2019, being the respective measurement dates:

### 10.2.Movement In obligation

Particulars	(Amount in ₹)	
	Gratuity (unfunded)	leave encashment (unfunded)
Present value of obligation - April 1, 2018	4,55,347	-
Current service cost	94,018	-
Interest cost	35,517	-
Benefits paid	-	-
Remeasurements - actuarial loss/ (gain)	(67,711)	-
Present value of obligation - March 31, 2019	5,17,171	-
Present value of obligation - April 1, 2019	5,17,171	-
Current service cost	76,857	-
Interest cost	39,615	-
Benefits paid	-	-
Remeasurements - actuarial loss/ (gain)	-3,40,790	-
Present value of obligation - March 31, 2020	2,92,853	-

### 10.3.Movement in Plan Assets – Gratuity

Particulars	(Amount in ₹)	
	Year ended March 31, 2020	Year ended March 31, 2019
Fair value of plan assets at beginning of year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial gain / (loss)	-	-
Fair value of plan assets at end of year	-	-
Present value of obligation	2,92,853	5,17,171
Net funded status of plan	(2,92,853)	(5,17,171)
Actual return on plan assets	-	-

The components of the gratuity & leave encashment cost are as follows:

### 10.4.Recognised in profit and loss

Particulars	(Amount in ₹)	
	Gratuity	Leave encashment
Current Service cost	94,018	-
Interest cost	35,517	-
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	-
For the year ended March 31, 2019	1,29,535	-
Current Service cost	76,857	-
Interest cost	39,615	-
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	-
For the year ended March 31, 2020	1,16,472	-
Actual return on plan assets	-	-

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### 10.5. Recognised in other comprehensive income

(Amount in Rs)	
Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	(67,711)
For the year ended March 31, 2019	(67,711)
Remeasurement - Actuarial loss/(gain)	(3,40,790)
For the year ended March 31, 2020	(3,40,790)

### 10.6. The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	As at March 31, 2020	As at March 31, 2019
Attrition rate	-	-
Discount Rate	6.87% PA	7.66% PA
Expected Rate of increase in salary	5.50% PA	5.50% PA
Expected Rate of Return on Plan Assets	-	-
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected Average remaining working lives of employees (years)	34.17 years	34.17 years

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2014-15 as considered in previous GAAP on transition to IND AS.

### 10.7. Sensitivity analysis:

(Amount in ₹)			
For the year ended March 31, 2019			
Particulars	change in Assumption	Effect on Gratuity obligation	Effect on leave encashment obligation
Discount rate	+0.50%	44,881	-
	-0.50%	50,911	-
Salary Growth rate	+0.50%	51,760	-
	-0.50%	45,949	-
For the year ended March 31, 2020			
Particulars	change in Assumption	Effect on Gratuity obligation	Effect on leave encashment obligation
Discount rate	+0.50%	27,993	-
	-0.50%	32,054	-
Salary Growth rate	+0.50%	32,333	-
	-0.50%	28,457	-

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

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### 10.8. History of experience adjustments is as follows:

Particulars	(Amount in ₹)	
	Gratuity	Leave encashment
<b>For the year ended March 31, 2019</b>		
Plan Liabilities - (loss)/gain	80,794	-
Plan Assets - (loss)/gain	-	-
<b>For the year ended March 31, 2020</b>		
Plan Liabilities - (loss)/gain	3,80,591	-
Plan Assets - (loss)/gain	-	-

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	(Amount in ₹)	
	Gratuity	
0 to 1 year	3,845	
1 to 2 year	3,776	
2 to 3 year	5264	
3 to 4 year	5,180	
4 to 5 year	5,274	
5 to 6 year	5,295	
6 year Onwards	2,64,219	

### 10.9. Statement of Employee benefit provision

Particulars	(Amount in ₹)	
	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity	2,92,853	5,17,171
Leave encashment	-	-
Other employee benefits	-	-
<b>Total</b>	<b>2,92,853</b>	<b>5,17,171</b>

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet.

### 10.10. Current and non-current provision for Gratuity and leave encashment

For the year ended March 31, 2020		(Amount in ₹)
Particulars	Gratuity	
Current provision	3,845	
Non current provision	2,89,008	
<b>Total Provision</b>	<b>2,92,853</b>	

For the year ended March 31, 2019		(Amount in ₹)
Particulars	Gratuity	
Current provision	10,526	
Non current provision	5,06,645	
<b>Total Provision</b>	<b>5,17,171</b>	

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### 11. Employee benefit expenses

(Amount in Rs.)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	27,28,239	25,88,128
Costs-defined contribution plan	1,94,506	1,84,348
Welfare expenses	9,219	11,340
<b>Total</b>	<b>29,31,964</b>	<b>27,83,816</b>

(Figures in no.)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Average no. of people employed	21	32

#### OCI presentation of defined benefit plan

-Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the Income tax effect on the same.

-Leave encashment cost is in the nature of short term employee benefits.

#### Presentation In Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

### 12. Other disclosures

#### a) Auditors Remuneration

(Amount in ₹)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>1. Statutory Auditors</b>		
i. Audit Fee	45,000	45,000
<b>Total</b>	<b>45,000</b>	<b>45,000</b>

#### b) Details of loans given, investment made and Guarantees given, covered U/S 186(4) of the Companies Act 2013.

-The Company has not given any loan, investment and guarantee covered under section 186(4) of the Companies Act, 2013.

### 13. Contingent liabilities

The Company does not have any disputed outstanding payable or pending litigation as at 31<sup>st</sup> March, 2020, which could have an adverse impact on the results of the operation of the company.

### 14. Related party transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

## UNITED TEXTILES LIMITED

### Related party name and relationship

#### Key Management Personnel

Arun Kumar Aggarwal (Whole Time Director)  
 Shalini Aggarwal (Director)  
 Vinod Kumar Aggarwal (Director)  
 Man Mohan Aggarwal (Relative of KMP)  
 Sushil Kumar Aggarwal (Relative of KMP)

### Related Party Transactions:

(Amount in Rs.)

Description	Key Management Personnel and their Relatives	
	Current Year	Previous Year
<b>Salary (Including Allowances)</b>		
Arun Kumar Aggarwal	Nil	2,40,000
Man Mohan Aggarwal	Nil	2,40,000

### Related Party Balances:

(Amount in Rs.)

Unsecured Loan	Current Year	Previous Year
Sushil Kumar Aggarwal	Nil	3,67,800
Arun Kumar Aggarwal	7,05,000	7,05,000
Shalini Aggarwal	7,95,000	7,95,000
Vinod Kumar Aggarwal	7,00,000	-
<b>Other Payables</b>		
Arun Kumar Aggarwal	2,28,600	9,28,600
Man Mohan Aggarwal	Nil	4,70,400

### 15. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(Number of shares)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Issued equity shares	3,000,000	3,000,000
Weighted average shares outstanding - Basic and Diluted - A	3,000,000	3,000,000

Net profit/(loss) available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit and loss after tax - B	4,75,851	(3,025)
Basic Earnings per share (B/A) (₹)	0.16	-0.001
Diluted Earnings per share (B/A) (₹)	0.16	-0.001

## **UNITED TEXTILES LIMITED**

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The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

16. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

**Impact of COVID 19:**

COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period which has been extended till May 31, 2020. However, production and supply of goods has commenced from May 1, 2020 at the manufacturing location of the Company after obtaining permissions from the appropriate government authorities. All necessary precautions relating to hygiene, sanitization, social distancing, care and protection of the employees would continue to be followed.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. It has also assessed the probability of occurrence of forecasted transactions under the hedging relationships and continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to in herentun certainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these standalone financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

17. Notes 1 to 27 are annexed and form integral part of Financial Statements.

**For P.C. Goyal & Co.,**  
Chartered Accountants  
Firm Registration No. 002368N

**(M.P. Jain)**  
Partner  
M. No. 082407  
Dated: 10th July, 2020  
Place: Hisar

**Arun Kumar Aggarwal**  
(Whole-time Director)  
DIN- 00248510

**Shalini Aggarwal**  
(Director)  
DIN No: 00248578

# UNITED TEXTILES LIMITED

## Cash Flow Statement for the year ended March 31, 2020

(Amount in Rs.)

DESCRIPTION		Year Ended March 31, 2020	Year Ended March 31, 2019
<b>A.</b>	<b>Cash Inflow/ (Outflow) From Operating Activities</b>		
	Profit Before Tax	137,081	118,258
	Add/(Less)		
	Depreciation	2,519,787	2,952,206
	Interest Income	(185,208)	(168,921)
	Interest Expense	2,819,842	2,502,278
	Profit on sale of fixed assets	71,369	-
	Operating Profit before Working Capital changes	5,362,871	5,403,821
	Adjustment for:		
	Inventories	(5,263,666)	(12,099,917)
	Trade Receivable	(4,921,748)	13,274,663
	Loan and Advances and other assets	(4,215,500)	(1,674,330)
	Trade and other Payable	16,511,603	(2,352,823)
	Cash Generated From Operations Before Tax	7,473,560	2,551,414
	(Tax Paid)/ Tax Refund	(186,777)	(16,168)
	<b>Net Cash Inflow/ (Outflow) from Operating Activities</b>	<b>7,286,783</b>	<b>2,535,245</b>
<b>B.</b>	<b>Cash Inflow/ (Outflow) from Investing Activities</b>		
	Acquisition of Fixed Assets/Capital Work-in-Progress	(17,689,929)	-
	Sale of Fixed Assets	1,400,000	-
	Interest Received	206,798	458,718
	<b>Net Cash Inflow/ (Outflow) from Investing Activities</b>	<b>(16,083,131)</b>	<b>458,718</b>
<b>C.</b>	<b>Cash Inflow/ (Outflow) from Financing Activities</b>		
	Proceeds / (Repayment) from / of Long term Borrowings (Net)	11,079,675	(886,352)
	Proceeds / (Repayment) from / of Short term Borrowings (Net)	846,931	366,382
	Interest Paid	(2,819,842)	(2,502,278)
	<b>Net Cash Inflow/ (Outflow) from Financing Activities</b>	<b>9,106,764</b>	<b>(3,022,248)</b>
	<b>Net Increase( Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>310,416</b>	<b>(28,285)</b>
	Add:		
	Cash and Cash equivalent at the beginning of the year	223,412	251,697
	Cash and Cash equivalent at the end of year	533,828	223,412

### Note.

1. Cash Flow Statement has been prepared under Indirect method as set out in IND AS-7 (Cash Flow Statements)
2. Cash and cash equivalents consist of cash in hand and balances with banks.
3. Borrowings from banks is net of repayments.
4. Figures in brackets represent outflow of cash.

For P.C. Goyal & Co.,  
Chartered Accountants  
Firm Registration No. 002368N

ARUN KUMAR AGGARWAL  
(Whole-time Director)  
DIN No: 00248510

(M.P. Jain)  
Partner  
M. No. 082407  
PLACE : Hisar  
Date :10th July ,2020

SHALINI AGGARWAL  
(Director)  
DIN No: 00248578

# UNITED TEXTILES LIMITED

## UNITED TEXTILES LIMITED

Regd. Office & Works: 7th K.M. Stone, Barwala Road, Hisar – 125 001 (Haryana)

PH No. 01662-276182, Fax No. 01662-276182

CIN – L17115HR1993PLC032092, E-mail Id: unitedtextilesLtd@gmail.com

Website : http://www.unitedtextileslimited.com

### PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):		Folio No. :	
		DP ID :	
Registered Address :		Client ID :	
		e-mail ID :	

I/We, being the member(s) holding ..... Shares of UNITED TEXTILES LIMITED hereby appoint :

1. Mr./Ms. .... Address .....  
E-mail Id ..... Signature.....  
or failing him
2. Mr./Ms. .... Address .....  
E-mail Id ..... Signature.....  
or failing him
3. Mr./Ms. .... Address .....  
E-mail Id ..... Signature.....  
or failing him

as my/our proxy to attend and vote for me/us on my/our behalf at the 27<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday, the 30<sup>th</sup> day of September, 2020 at 11.00 A.M. at its Regd. Office at 7<sup>th</sup> K.M. Stone, Barwala Road, Hisar - 125 001 and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No.	Description of Resolutions
	<b>ORDINARY BUSINESS</b>
1	To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2020, together with the Report of the Directors and Auditors' thereon.
2	To appoint a director in place of Smt. Shalini Aggarwal (DIN 00248578) who retires by rotation and being eligible, offers herself for re-appointment.
	<b>SPECIAL BUSINESS</b>
3	To regularize Sh. AMIT KUMAR AGGARWAL (DIN-07079171) as Director.
4	To regularize Sh. AMIT BANSAL (DIN-08623244) as an Independent Director.
5	To regularize Sh. SANDEEP GARG (DIN-08622421) as an Independent Director
6	To approve the remuneration payable to Sh. AMIT KUMAR AGGARWAL (DIN-07079171)

Signed this \_\_\_\_\_ Day of \_\_\_\_\_, 2020

AFFIX ONE  
RUPEE  
REVENUE  
STAMP

Signature of Shareholder

Signature of Proxy holder(s)

**NOTE:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

# UNITED TEXTILES LIMITED

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## UNITED TEXTILES LIMITED

Regd. Office & Works: 7th K.M. Stone, Barwala Road, Hisar – 125 001 (Haryana)

PH No. 01662-276182, Fax No. 01662-276182

CIN – L17115HR1993PLC032092, E-mail Id: unitedtextilesLtd@gmail.com

Website : <http://www.unitedtextileslimited.com>

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### ATTENDANCE SLIP

27<sup>th</sup> ANNUAL GENERAL MEETING on Wednesday ,the 30<sup>th</sup> day of September,2020 at 11:00 a.m. at 7th K.M Stone. Barwala Road, Hisar – 125001 (Haryana)

NAME	
Address	
Registered Folio No./DP Id & Client Id	
Shareholder/Proxy/Authorised Representative	
MOBILE NO.	
E-MAIL ID	

I/We hereby record my/our presence at 27<sup>th</sup> Annual General Meeting (AGM) of the Company being held on Wednesday, the 30<sup>th</sup> day of September, 2020 at 11:00 A.M. at 7th K.M Stone. Barwala Road, Hisar – 125001 (Haryana)

\_\_\_\_\_  
Signature of Shareholder/Proxy/Authorised Representative

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall .Members are requested to bring their copies of the Annual Report to the AGM.

### ELECTRONIC VOTING PARTICULARS

EVS (E-Voting Sequence Number)	USER ID	SEQUENCE NO.

Notes: Please read the instructions printed under the Note no. 14-15 to the notice dated August 31, 2020 of the 27<sup>th</sup> Annual General Meeting.

**BOOK-POST**

*If undelivered please return to:*

**UNITED TEXTILES LIMITED**

REGD. OFFICE: 7th K.M. Stone Barwala Road

HISAR:125001 (Haryana) INDIA