

September 24, 2020

Listing Department

The National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Bandra Kurla Complex, Bandra (East),
Mumbai-400051

Scrip Symbol: AVROIND

Subject: Corrigendum with respect to Revised Annual Report

Dear Sir/Ma'am

With reference to Revised Annual Report ("the report") uploaded by us on September 22, 2020, this is to inform you that details of one board meeting was left inadvertently to be included in the said report which was required to be intimated along with said report.

Errors on the different pages were as follows:

1. In the relevant details as per Reg. 36(3) of SEBI (LODR) Regulations, 2015 on page no. 9 of the said report, the no. of meetings of the Board attended during the year was mentioned as 09 instead of 10.
2. On Page No. 13 of the report, in the head of Number of meetings of the Board, the no. of meetings was mentioned 10 inadvertently instead of 11. In the second paragraph of the same heading, date of one board meeting i.e. 14/10/2019 was left inadvertently after 09/10/2019.

Also the details of attendance of directors at the Board Meeting was as under:-

S.No.	Name of Directors	No. of Board Meetings	
		Held	Attended
1.	Sushil Kumar Aggarwal	11	10
2.	Sahil Aggarwal	11	11
3.	Anita Aggarwal	11	11
4.	Naubahar Singh	11	11
5.	Vandana Gupta	11	11
5.	Prachika Agarwal	5	5

This is for your information and records.

Thanking You,
Yours Faithfully

For Avro India Limited


Sumit Bansal
Company Secretary
M.No. A42433



Encl: A/a

AVRO INDIA LIMITED

(Formerly known as AVON MOLDBLAST LIMITED)

A-7/36-39, South of G.T. Road,
Indl. Area (Opp. Rathi Udyog Ltd.)
Ghaziabad-201009 (UP), India

Tel: 0120-4376091
Helpline: 9910039125
info@avrofurniture.com

www.avrofurniture.com

Follow us on   



मज़बूत भारत
की मज़बूत कुर्सी
कभी ना टूटे
एवरो कुर्सी



NEXA

- Sturdy Legs
- Wooden Texture On Top
- ONLY MOLD IN INDIA

6.5 kg

3 साल की गारंटी



AVRO[®]

FURNITURE

Platinum Rattan Chair

- Broad Front
- Rattan Design
- Comfortable Back

4 kg

SINGLE MOLD IN INDIA
RATTAN, CURVE SEAT



9955 Matt Chair

- Matt Finish
- High Back

4 kg

Strongest Chair In The Country



8 kg

MAGNA

Heavy Duty Dining Table
Double Top

- Matt & Gloss Design
- Upto 6 Person Seating
- Suitable For Dhaba, Restaurant, Outdoor & Indoor
- 1 Year Guarantee

- Double Top
- Curved Leg Angle
- Strip Texture On Top

ONLY MOLD IN INDIA



Annual Report 2019-20

AVRO INDIA LIMITED

www.avrofurniture.com



Make in India



We use Recycled Plastic to save environment



Supporting Swach Bharat Abhiyaan by building toilets for community as CSR



100% Green category manufacturing Plant - no air, water, noise pollution



Zero Emission - No Waste Discharge



Registered designs of product



Awards

- Entrepreneur Of The Year Award
- India's Greatest Brand Award
- India's Greatest Leader Award
- Altina Award • UP State Award
- Brand Excellence Award 2019



40 Molds + Huge Range



Flex board & Advertising Material To All Dealers



NSE Emerge Listed Company
(AVRO® FURNITURE AVROIND)



Dealer's Conference In Every City



Affordable Prices Than Various National Brands



AVRO Supports Girl Child's Education- Beti Bachao Beti Padhao



E-Com & Online Sales



Only company to offer 3 Years Guarantee *on selected products



Retail Tour for Dealers



Distributor Tour



Advertisement Material
TV/Newspaper/Radio For Customer



Operational Since 2002



Iso Certification & Other Recognition



Beautiful Packaging
(Flower, Bubble Sheet, etc)

मज़बूत भारत
की मज़बूत कुर्सी
कभी ना टूटे
एवरो कुर्सी



2581

- Big seat for comfort
- Matt and gloss design
- Beautiful texture on seat
- 1 Year Guarantee

3.6 kg

Super Sale Product

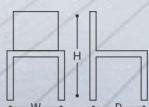
SINGLE MOLD IN INDIA



Orange Insert



Beige Insert



H: 830 mm | W: 490 mm | D: 475 mm

12 Pc / Packing



Platinum Rattan Chair

- Broad Front
- Rattan Design
- Comfortable Back

4 kg

SINGLE MOLD IN INDIA

RATTAN, CURVE SEAT

3 साल की
गारंटी

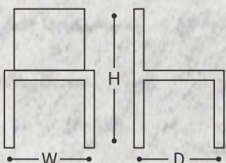
8 Pc/Packing



Brown



White



H: 875 mm | W: 565 mm | D: 514 mm



9955

Matt Chair

- Matt Finish
- High Back

4 kg

Strongest Chair In The Country

3 साल की गारंटी

*Guarantee applicable against bill & breakage only due to manufacturing defect on selected models only

8 Pc / Packing



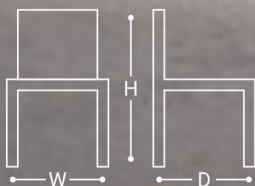
Brown



I copper



W Brown



H: 885 mm | W: 588 mm | D: 542 mm

9100

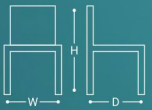
Heavy Duty Chair

- Beautiful Texture
- Strong Legs
- 1 Year Guarantee

2.4 kg

Super Sale Product

SINGLE MOLD IN INDIA



H: 750 mm | W: 555 mm | D: 480 mm

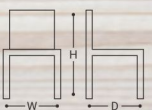
16 Pc/Packing

Smiley Baby Chair

- Unique Design
- 1 year Guarantee

700 grams

ONLY MOLD IN INDIA



H: 435 mm | W: 274 mm | D: 350 mm

20 Pc/Packing

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sushil Kumar Aggarwal
Mr. Sahil Aggarwal
Mrs. Anita Aggarwal
Ms. Vandana Gupta
Mr. Naubahar Singh

Chairman & Whole Time Director
Managing Director
Non-Executive Director
Independent Director
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Ghanshyam Singh

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Sumit Bansal
(Appointed w.e.f. August 21, 2020)

STATUTORY AUDITOR

Sushil Lal & Associates
Chartered Accountants
203, 301-302, Plot No. 7, 2nd& 3rd Floor Aggarwal Plaza,
LSC-1 Mixed Housing Complex, Mayur Vihar – III,
Delhi – 110096

INTERNAL AUDITOR

M/s NSH & Co.
Chartered Accountants
Plot No.133, Lane No.1, Near Saket Metro Station,
Saket-110017, Delhi

REGISTRAR & SHARE TRANSFER AGENT

Mas Services Limited.
T-34, IInd Floor, Okhla Industrial Area
Phase-II, New Delhi 110020

REGISTERED OFFICE

A-7/36-39, South of G.T. Road Industrial Area,
Electrosteel Casting Compound, Ghaziabad,
Uttar Pradesh- 201009

SHARES LISTED AT

National Stock Exchange of India Ltd (NSE SME EMERGE)

BANKERS TO THE COMPANY

IDFC Bank

G-61 & G-62, Sector – 18 Noida – 201301

Punjab National Bank

K.M Trade Tower Near Hotel Radisson, Kaushambi
Ghaziabad – 201010

ICICI Bank Limited

H1/34, Sec-63, Noida - 201301

WEBSITE

www.avrofurniture.com

BOARD COMMITTEES

AUDIT COMMITTEE

- | | | |
|----|--------------------|----------|
| 1. | Mr. Naubahar Singh | Chairman |
| 2. | Mr. Sahil Aggarwal | Member |
| 3. | Ms. Vandana Gupta | Member |

NOMINATION & REMUNERATION COMMITTEE

- | | | |
|----|---------------------|----------|
| 1. | Mr. Naubahar Singh | Chairman |
| 2. | Mrs. Anita Aggarwal | Member |
| 3. | Ms. Vandana Gupta | Member |

STAKEHOLDER RELATIONSHIP COMMITTEE

- | | | |
|----|---------------------------|-------------|
| 1. | Ms. Vandana Gupta | Chairperson |
| 2. | Mr. Sushil Kumar Aggarwal | Member |
| 3. | Mr. Naubahar Singh | Member |

CONTACT DETAILS

Ph. No: 0120-4376091
cs@avrofurniture.com

CHAIRMAN'S MESSAGE



Dear Stakeholders,

It gives me immense pleasure to share with you the performance of your Company for the financial year 2019-20 and welcome you all for the 24th Annual General Meeting of the AVRO INDIA LIMITED. This was the transformative year of your company as the name of the company was changed from AVON MOLDFLAST LIMITED to AVRO INDIA LIMITED.

During the year under review, your company has seen growth in the profit from ₹ 0.85 Cr to ₹ 1.13 Cr. Further, I would like to mention that the company is making continuous efforts to ensure sustainable reduction in cost with increased level of efficiency and output.

During the last week of March 2020, the COVID-19 pandemic has disrupted demand and supply chains across industries, negatively impacting the business of companies and driving the global economy towards a recession. Government in India imposed stringent lockdown in a bid to contain the spread of the disease. This in turn has forced companies to reconfigure how their employees work and how their core business processes are supported and delivered. However, it is becoming evident that companies that have previously digitized their operations have been more resilient.

As of March 31, 2020, we ensured all the employees of the company are working remotely and securely from their residence. This response has reinforced customer confidence in our company and many of them have expressed their appreciation and gratitude for keeping their businesses running under most challenging conditions.

Your Company has always strived to be known for latest updated designs and models, quality at a reasonable price. The Company is committed to promote the brand "Avro" to take it to new heights.

With the continued focus towards digitalization, the Company is trying to connect with the existing and potential customers on digital platforms where they can get quick responses to their queries. We have listed our products on Govt. E-Marketplace (GeM) and getting excellent response on Amazon and Flipkart.

The Company with its constant endeavour for innovation will continue to introduce many new and innovative products and thereby will fulfill its commitment to the society as a whole by offering premium quality products at the most affordable price.

Customer satisfaction is our ultimate goal and we shall be persistent in our efforts in maintaining the topmost level towards the same. I would like to appreciate each and every employee of the Company for their efforts they put day in and day out for the growth of the Company. Employees are the key to a Company's success and I aspire for a growth that spreads across every employee of the Company.

Warm Regards,

Sd/-
Sushil Kumar Aggarwal
Whole-Time Director

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NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the members of **Avro India Limited** (Formerly known as *Avon Moldplast Limited*) will be held on **Monday, 21st day of September, 2020 at 10:00 A.M at the Registered office of the Company at A-7/36-39, South of G.T. Road Industrial Area, Electrosteel Casting Compound, Ghaziabad, Uttar Pradesh-201009** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint Mr. Sushil Kumar Aggarwal (DIN: 00248707), Whole-Time Director, who retires by rotation and being eligible offers himself for re-appointment and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded to the reappointment of Mr. Sushil Kumar Aggarwal (DIN: 00248707) who retires by rotation and being eligible has offered himself for re-appointment as a Whole-Time Director of the Company.

SPECIAL BUSINESS:

3. To Approve the Material Related Party Transactions with Bonita Furniture Private Limited and in this regard to consider and if thought fit, to pass with or without modification, if any, the following resolution as a **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions, if any, read with the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23 of SEBI (Listing Obligations Disclosures Requirements) Regulations, 2015 ("Listing Regulations") and Company's Policy on Related Party Transaction(s), approval of the members be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/arrangement(s)/transaction(s) with M/s Bonita Furniture Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for Sale, Purchase, supply of goods or materials in ordinary course of business on arm's length basis and on such terms and conditions as enumerated in explanatory statement hereto.

"RESOLVED FURTHER THAT Mr. Sushil Kumar Aggarwal (DIN: 00248707) or Company Secretary of the Company be and are hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any question, difficulty or doubt that may arise with regard to any transaction with related party and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution."

**For & on behalf of the Board of Directors
Avro India Limited**

**Sd/-
Sushil Kumar Aggarwal
Whole-Time Director
DIN: 00248707**

**Date: 21/08/2020
Place: Ghaziabad**

NOTES:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to the Special Businesses to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should however be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.**

A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy and for any other purpose or shareholder. The holder of proxy shall prove his identity at the time of attending the meeting.

3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at this Annual General Meeting.
4. Members/Proxies/Authorized Representative should bring the duly filled Attendance slip enclosed herewith to attend the meeting. The signature of the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
5. Members who have not registered their E-mail address so far are requested to register their e-mail for receiving all communication including Annual Report, Notices and Circulars etc. from the Company electronically. Members can do this by updating their email addresses with their depository participants.

Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report will also be available on the Company's website www.avrofurniture.com for their download.

6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of bank and branch details, MICR Code and IFSC Code, mandates, nomination, change of address, change of name, e-mail address, contact numbers etc. to their depository participant (DP).
7. The Board of Directors has appointed **Mrs. Jinu Jain (COP No. 10379)**, Practicing Company Secretary to scrutinize the voting at the meeting in a fair and transparent manner.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 14th September 2020 to 21st September 2020 (both days inclusive).
9. Relevant documents as referred to in the Notice along with the Statements are open for inspection by members at Registered Office of the Company on all working days, except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Annual General Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.
10. Brief details of Directors seeking appointment/reappointment along with details of other Directorship, shareholding in the Company, nature of their expertise in specific functional area pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards-2 issued by ICSI forms part of Notice.
11. The route map showing directions to reach the venue of the 24th AGM is provided at the end of this Notice.
12. The facility for voting through ballot paper shall be made available at the Annual General Meeting.
13. Voting rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owners (in case of electronic shareholding) as on the cut-off date i.e. September 11, 2020.
14. The Results along with the report of the Scrutinizer shall be forwarded to NSE Ltd within 48 hours of the conclusion of Annual General Meeting and shall be uploaded on the website of the Company. (www.avrofurniture.com)
15. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
16. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
17. No gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with the General Meeting.

18. The Notice of the AGM along with the Annual Report 2019-20 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. Members may note that this Notice and the Annual Report 2019-20 will also be available on the Company's website viz. www.avrofurniture.com.
19. The Company has not declared any dividend. Further, the Company does not have any unpaid or unclaimed dividend amount outstanding as on the closure of financial year 2019-20. Therefore, the Company is not required to upload the details of Unpaid and unclaimed dividend amounts.

Further, during the year, the Company has not transferred any amount to fund established under Section 125 of the Companies Act, 2013.
20. With reference to Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB as per SEBI (Issue of Capital Disclosure Requirements), 2009 are exempted from e-voting provisions. Company is covered under Chapter XB as it is listed on SME platform of National Stock Exchange of India Limited. Therefore, Company is not providing e-voting facility to its shareholders.
21. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts.
22. Any member requiring further information on the Annual Report at the meeting is requested to send the queries at cs@avrofurniture.com.

**For & on behalf of the Board of Directors
Avro India Limited**

**Sd/-
Sushil Kumar Aggarwal
Whole-Time Director
DIN: 00248707**

**Date: 21/08/2020
Place: Ghaziabad**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.1

Bonita Furniture Private Limited is a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

In terms of the provisions of Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of Ordinary Resolution in case the value of related party transactions exceeds the stipulated thresholds prescribed in Rule 15 of the said rules. As per Regulation 23 of Listing Regulations and Related party Transaction policy, all the material related party transactions requires approval of the shareholders. The transactions relating to sale, purchase, or supply of goods or materials with M/s Bonita Furniture Private Limited are material in nature as these transactions are likely to exceed ten percent of the turnover of the Company. The Particulars of the material transactions are as under:

- (i) **Name of the related Party:** M/s Bonita Furniture Private Limited
- (ii) **Name of the director or Key Managerial Personnel who is related and relationship:**
Mrs. Anita Aggarwal, Spouse of Mr. Sushil Kumar Aggarwal and mother of Mr. Nikhil Aggarwal is the Director and Member in M/s Bonita Furniture Private Limited.
- (iii) **Nature, Duration of the Contract and Particulars of the Contract or arrangement:** Sale, Purchase or supply of goods or materials. Duration of the Contract is four years.
- (iv) **Material Terms of the Contract or arrangement, if any:** Based on Market Price
- (v) **Any Advance paid or received for the contractor/arrangement/transactions, if any:** Nil.
- (vi) **Monetary Value:** The value of transaction is likely up to an amount of ₹ 100 Crores.
- (vii) **Any other Information relevant or important for the Board to take a decision on the proposed transaction.** None

Accordingly, in terms of the provisions of the SEBI Regulations and the Companies Act, 2013, approval of Shareholders of the Company is being sought by way of Ordinary Resolution set out at Item No.3 of this Notice.

None of the Directors or Key Managerial Personnel except Mr. Sushil Kumar Aggarwal, Whole-Time Director, Mr. Sahil Aggarwal, Managing Director and Mrs. Anita Aggarwal, Non-Executive Director are interested, financial or otherwise in the proposed resolution.

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

Relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Name of Director	Sushil Kumar Aggarwal (DIN: 00248707)
Date of Birth	28/03/1961
Date of Appointment	March 21, 2018
Qualifications, Experience and Expertise in specific functional area	He is having a rich experience of more than 32 years in the Plastic molded furniture industry. He is an Avid traveler, tech savvy and has a magnetic personality.
No. of Equity Shares held as on 31 st March, 2020	780000 Shares
Disclosure of relationship between directors inter se	He is husband of Mrs. Anita Aggarwal, Non-executive Director of the Company and father of Mr. Sahil Aggarwal, Managing Director of the Company.
Remuneration Last drawn by such person, if any	₹ 1,00,000 p.m.
No. of Meeting of the Board attended during the year	10
Terms and Conditions of Appointment	Mr. Sushil Kumar Aggarwal was appointed as Whole-Time Director of the Company for a period of five years w.e.f. March 21, 2018.
List of Public Limited Companies in which Directorships held	Nil
Chairman / Member of the Committees* of the Board of Directors of the Public Company	Member-1 Chairman-Nil

*Committee includes the Audit Committee, Nomination & Remuneration Committee and Stakeholders Grievance Committee

BOARD'S REPORT

To
The Members,

Your Directors are pleased to present to the valued stakeholders, the **24th** Annual Report of **AVRO INDIA LIMITED** along with the Audited Financial Statements of the Company for the Year ended **March 31st, 2020**.

1. FINANCIAL HIGHLIGHTS

(Amount in ₹)

PARTICULARS	Standalone	
	2019-20	2018-19
Income from Business Operations	44,06,60,637	49,06,40,969
Other Income	40,81,462	38,88,436
Total Income	44,47,42,099	49,45,29,405
Less: Expenditure except Depreciation & Finance cost	41,32,42,604	46,22,15,971
Profit/Loss before Interest, Depreciation and Tax	3,14,99,495	3,23,13,434
Less: Interest and other Financial Charge(s)	29,34,731	18,47,748
Profit/Loss before Depreciation and Tax	2,85,64,763	3,04,65,686
Less: Depreciation	1,45,38,283	1,29,07,841
Profit/Loss before Tax before Exceptional & Extraordinary item	1,40,26,481	1,75,57,845
Less: Exceptional Item	-	25,00,000
Less: Extraordinary item	-	14,36,000
Profit/Loss before Tax	1,40,26,481	1,36,21,845
Less: Tax Expense	37,48,483	40,61,383
Add/Less: Deferred Tax	(10,76,309)	10,20,065
Net Profit/Loss after Tax	1,13,54,307	85,40,397
Earnings per share:		
Basic	3.49	2.62
Diluted	3.49	2.62

Turnover of your company for the year ended March 31, 2020 was ₹ 44,06,60,637 as compared to ₹ 49,06,40,969 during the previous year ended March 31, 2019.

The Profit after tax for the year under review was ₹ 1,13,54,307 as compared to ₹ 85,40,397 for the previous year.

Basic Earning per Share was 3.49 for the year ended March 31, 2020 as compared to 2.62 during the previous year ended March 31, 2019.

2. STATE OF COMPANY'S AFFAIR

Avro India Limited is a plastic Molded Furniture unit and having one of the largest product range offering 3 years guarantee on selected products manufactured with imported machines. With forward looking strategy, the Company is also focusing extensively on expanding the network of Company.

3. DIVIDEND

In order to conserve resources for future requirements and considering the future expansion plans, the Board has decided to retain the profits generated and consequently Board has not recommended any dividend for the financial year ended March 31, 2020.

4. **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of business during the year under review.

5. **RESERVES**

The Board of the Company has decided to carry ₹ 1,13,54,307 to the Reserves of the Company.

6. **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT**

Due to announcement made by Government during the lockdown, plant was closed from 21st March, 2020 till the mid of May, 2020. However, the management was able to maintain the relationship with customers and acquire orders for dispatch post lockdown. The functioning of the company has been normalized from 13th May, 2020.

Impact of Covid-19 in financial year 2020-21 can be categorized in the following points:

- a. **Continuity of operations:** The Company has started functioning normally since 13th May 2020. There were no labour's issues or break down issues due to Covid-19.
- b. **Liquidity position and Debt-Equity ratio:** The Company has adequate cash reserve to maintain liquidity in this time. The Company has taken an additional facility from IDFC First Bank Limited during Covid-19 of ₹ 10.5 lakhs which is around 8.86% of the existing long-term debt.
- c. **Debtor position:** The Company has not faced any issues in connection with debt till date and no provision is required to be made.
- d. **Purchase cost:** The Company has not paid any excess amount while acquiring raw material for the production of the goods.
- e. **Supply Chain:** The Company has not faced any significant delay in receiving raw material and is able to cater demand on timely basis.
- f. **Demand:** The demand of product in general has declined throughout the country.

To summarize, your company is in comfortable position to combat Covid-19 storm from liquidity and operations continuity. However, in Financial Year 2020-21, we expect consistency in Gross Margins.

7. **DEPOSITS**

Your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

8. **SHARE CAPITAL**

Authorised Capital:

During the year under review, there were no changes in the Authorised Capital of the Company. The Authorised Capital of the Company is ₹ 5,00,00,000 divided into 5000000 shares of ₹ 10/- each.

Issued, Subscribed & Paid-up Capital:

During the year under review, there were no changes in the Issued, Subscribed & Paid-up Capital of the Company.

The present Paid-up Capital of the Company is ₹ 3,25,40,000/- divided into 3254000 Equity Shares of ₹ 10/- each.

9. **MATERIAL CHANGES DURING THE YEAR**

During the year Company changed its name from M/s. Avon Moldplast Limited to M/s. Avro India Limited. The Fresh Certificate of Incorporation pursuant to change of name was issued by Registrar of Companies, Kanpur dated 18th October 2019.

10. **SUBSIDIARY / ASSOCIATE/ JOINT VENTURES COMPANIES**

The Company does not have any subsidiary, joint-venture or associate companies.

11. LISTING

The equity shares of your Company have been listed on SME Platform of National Stock Exchange of India Ltd (NSE) Emerge w.e.f. July 26, 2018. The Annual listing fees have been paid to NSE.

12. EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return under sub section 3 of Section 92 of the Companies Act, 2013 in Form MGT-9 is annexed herewith as “**Annexure-A**”.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Constitution of Board:

As on the date of this report, the Board comprises following Directors;

Name of Director	Category Cum Designation	Date of Appointment at current Term & designation	Total Directorship ¹	No. of Committee ²		No. of Shares held as on March 31, 2020
				in which Director is Member	in which Director is Chairman	
Mr. Sushil Kumar Aggarwal	Chairman & Whole Time Director	22/03/2018 (Whole Time Director)	2	1	-	780000
Mr. Sahil Aggarwal	Managing Director	02/12/2009 (Managing Director)	1	1	-	450000
Mrs. Anita Aggarwal	Non-Executive Director	22/03/2018	2	-	-	690000
Ms. Vandana Gupta	Independent Director	21/03/2018	4	6	1	0
Ms. Prachika Agarwal*	Independent Director	22/03/2018	1	-	-	0
Mr. Naubahar Singh	Independent Director	21/03/2018	3	4	1	0

¹ Excluding LLPs, Section 8 Company & struck of Companies

² Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies.

* Mrs. Prachika Agarwal had resigned from the Company w.e.f. September 13, 2019.

The composition of Board complies with the requirements of the Companies Act, 2013 (“Act”). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Company is exempted from requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

Director Retire by Rotation

Pursuant to Section 152 of Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Sushil Kumar Aggarwal, Whole Time Director of the company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends his re-appointment.

Independent Director

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has two Non-Promoter Non-Executive Independent Directors in line with the act. A separate meeting of Independent Directors was held on 07.03.2020 to review the performance of Non-Independent Directors and Board as whole and performance of Chairman of the Company including assessment of quality, quantity and timeliness of flow of information between Company, management and Board.

Changes during the year

During the Financial Year 2019-20, Ms. Prachika Agarwal (DIN: 08092194) resigned as an Independent Director w.e.f. 13th September 2019 and remaining composition of Board of Directors is still intact.

Change in Designation

During the financial year 2019-20, there were no changes in the designation of the Directors.

Key Managerial Personnel

During the financial year 2019-20, there were no changes in Key Managerial Personnel. After Financial year 2019-20, Mr. Shikhar Agarwal has resigned from the post of Company Secretary & Compliance officer w.e.f. August 06, 2020.

14. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 11 times during the financial year ended March 31, 2020 in accordance with the provisions of Companies Act 2013 and rules made thereunder. The intervening gap between two board meetings was within the period as prescribed under Companies Act 2013 and Secretarial Standard-1. The requisite quorum was present at all the meetings and Directors have actively participated in the meetings and contributed valuable inputs on the matters brought before the board of Directors from time to time.

Date of Board meetings i.e. 01/04/2019, 28/05/2019, 30/05/2019, 11/06/2019, 06/09/2019, 09/10/2019, 14/10/2019, 19/10/2019, 13/11/2019, 14/11/2019 & 09/03/2020.

The details of attendance of Directors at the Board Meeting is as under:-

S. No	Name of Directors	No. of Board Meetings	
		Held	Attended
1.	Sushil Kumar Aggarwal	11	10
2.	Sahil Aggarwal	11	11
3.	Anita Aggarwal	11	11
4.	Naubahar Singh	11	11
5.	Vandana Gupta	11	11
6.	Prachika Agarwal ¹	5	5

¹ Prachika Agarwal resigned from the post of Directorship w.e.f. 13th September 2019

15. COMMITTEES OF THE BOARD

The Company currently have 4 (Four) Committees viz. Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and IPO Committee which has been established as a part of the better corporate practices and its compliance with the requirements of the relevant provisions of applicable laws and statutes.

AUDIT COMMITTEE

Your Company has constituted an Audit Committee in compliance with the provisions of Section 177 of the Companies Act 2013 & Regulation 18 of the SEBI Listing Regulations.

A. Meetings during the year

During the year under review, the Audit Committee of the Company met 5 (five times) viz 30/05/2019, 06/09/2019, 13/11/2019, 14/11/2019 & 09/03/2020.

B. Composition and Attendance of Audit Committee as on March 31, 2020

The composition of the Audit Committee of the Board of the Company along with details of the meetings held and attended during the financial year 2019-20 are detailed below:

S. No	Name of Members	Category	Designation	No. of Meetings	
				Held	Attended
1.	Naubahar Singh	Independent Director	Chairman	5	5
2.	Sahil Aggarwal	Managing Director	Member	5	5
3.	Vandana Gupta	Independent Director	Member	5	5

STAKEHOLDER RELATIONSHIP COMMITTEE

Your Company has constituted a Stakeholder Relationship Committee in compliance with the provisions of Section 178 of Companies Act 2013 and Regulation 20 of Listing Regulations.

A. Meetings during the year

During the year under review, the Stakeholder Relationship Committee of the Company met 2 (two) times on 13/07/2019 & 13/11/2019.

B. Composition and Attendance of Stakeholder Relationship Committee as on March 31, 2020.

The composition of the Stakeholder Relationship Committee of the Board of the Company along with details of the meetings held and attended during the financial year 2019-20 are detailed below:

S. No	Name of Members	Category	Designation	No. of Meetings	
				Held	Attended
1.	Vandana Gupta	Independent Director	Chairperson	2	2
2.	Sushil Kumar Aggarwal	Whole Time Director	Member	2	2
3.	Naubahar Singh	Independent Director	Member	2	2

NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee has been constituted in compliance with the provisions of Section 178(1) of the Companies Act 2013 and Regulation 19 of Listing Regulations.

A. Meetings during the year

During the year under review, committee members met once on March 21, 2020.

B. Composition and Attendance of Nomination and Remuneration Committee as on March 31, 2020.

The composition of the Nomination & Remuneration Committee of the Board of the Company along with details of the meetings held and attended during the financial year 2019-20 are detailed below:

S. No	Name of Members	Designation	Category	No. of Meetings	
				Held	Attended
1.	Naubahar Singh	Independent Director	Chairman	1	1
2.	Vandana Gupta	Independent Director	Member	1	1
3.	Anita Aggarwal	Non-Executive Director	Member	1	1

IPO Committee

The Board of Directors in their meeting held on March 21, 2018 constituted Initial Public offer Committee. Since, the Company have successfully completed its Initial Public offer and got it listed on National Stock Exchange on 26th July 2018. Now, there is no requirement of holding the meeting of the Committee, therefore no such committee meeting took place in the financial year 2019-20. The members of IPO Committee are Mr. Sushil Kumar Aggarwal, Mr. Sahil Aggarwal & Mrs. Anita Aggarwal.

16. PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS.

In terms of the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a formal annual performance evaluation has been done by the Nomination and Remuneration Committee ("NRC") of the Board, its Committees and Individual Directors. The performance of the Board was evaluated by the NRC after seeking feedback from all the members on the basis of parameters/criteria such as Board Composition & Quality, Board Meetings and procedures, Board strategy and Risk Management, Board and Management Relations, Succession planning. The performance of the Committees was evaluated by NRC after seeking feedback from committee members on the basis of parameters/criteria such as functions and duties of Committees, Relationship of the Committees with the Management, Committee meetings and Procedures.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the directors being evaluated. Independent Directors of the Company in their separate meeting held on March 07, 2020 reviewed the performance of Non-Independent Directors and the Board as a whole. They also reviewed the performance of the Chairman of the Company.

17. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The company does not fall under the criteria of net worth, turnover or profit for applicability of Corporate Social Responsibility (CSR) provisions as per Section 135 of the Companies Act, 2013, hence the same are not applicable to the company for the period under review.

18. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company believes in ethical and lawful business conduct and strives to carry on its business activities in fair, transparent and professional manner. Pursuant to the provisions of Section 177 of the Companies Act, 2013 and other applicable provisions, the Company has adopted a Vigil Mechanism/Whistle Blower Policy for securing/reporting/deterring/punishing/rectifying any unethical, unlawful acts, behavior, leak/suspected leak of Unpublished Price Sensitive Information etc. and to address bona fide concern of malpractice, deviation from the policies of the Company internally in an effective and systematic manner after its discovery. The Policy also provide for adequate safeguards against victimization of persons who use such mechanism and also make provisions for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The said policy is available on the website of the Company i.e. www.avrofurniture.com.

During the year under review, no complaint pertaining to the company was received under the Whistle Blower Policy/Vigil mechanism.

19. RISK MANAGEMENT

The Board of Directors of the Company has evaluated a risk management to monitor the risk management plan for the Company. The audit Committee has additional oversight in the area of financial risks and control. Major risks identified by the business and functions are systematically address mitigating actions on a continuing basis.

The development and implementation of risk management has been convened in the Management Discussion and Analysis, which forms part of Annual Report.

20. PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

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

21. AUDITORS

A. STATUTORY AUDITORS

M/s. Sushil Lal & Associates, Chartered Accountants (Firm Reg. No. 021758N), a Firm peer reviewed by ICAI, was appointed as a Statutory Auditors of the Company for a term of 5 consecutive years commencing from Financial year 2018-19 to financial year 2022-23 at the Annual General Meeting held on 29.09.2018.

A written consent/certificate regarding eligibility for their appointment as Statutory Auditor in accordance with the Rule 4 of the Companies (Audit and Auditors) Rule, 2014 read with the provisions of section 139(2) of the Companies Act, 2013 has been received by the company.

There were no adverse remarks or qualification on accounts of the Company from the Statutory Auditors. The notes on Financial statements referred to in the Auditor's Report are self-explanatory and need no further comments.

B. SECRETARIAL AUDITOR

Pursuant to provision of section 204 of the Companies act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Board had appointed M/s. Jinu Jain, Company Secretaries (Certificate of Practice no. 10379) as a Secretarial Auditor in the Board Meeting held on 06th September, 2019 till the time the power revoked by the Board of Directors on a remuneration as Board of Directors may think fit in consultation with the Secretarial Auditor. The Secretarial Audit report for the financial year ended 31st March, 2020 is annexed herewith as **Annexure-B**. The Secretarial Audit Report does not contain any qualification, reservation and adverse remark for the period under review.

C. INTERNAL AUDITOR

In accordance with the provisions of Section 138 of the Companies Act, 2013 and rules made thereunder, company appointed M/s. NSH & Co., Chartered Accountants as Internal Auditor of the Company for the Financial year 2019-20 to carry out internal audit of its activities.

There were no adverse remarks or qualifications on accounts of the Company from the Internal Auditors.

22. COMPLIANCE WITH SECRETARIAL STANDARD

During the financial year under review, the Company has complied with applicable Secretarial Standards on Board and General Meetings specified by the Institute of Company Secretaries of India pursuant to Section 118 of the Companies Act, 2013.

23. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the Workplace. During the year under review, Company has not received complaints of sexual harassment.

24. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate Internal Control System, commensurate with size, scale and complexity of its operations. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensure compliance of corporate policies. It has continued its efforts to align all its process and controls with global best practices.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013.

All transactions entered into with Related parties during the financial year under review were in ordinary course of business and on an arm's length basis. The details of the transactions with related parties are provided in the notes to accompanying financial statements. Details of transactions pursuant to compliance of section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 are annexed herewith as per **Annexure-C** in the Form AOC-2.

26. MAINTENANCE OF COST RECORDS

The maintenance of Cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not applicable to the Company as the Company does not fall under any of the category prescribed under Section 148(1) of Companies Act, 2013.

27. PARTICULARS OF EMPLOYEES

The Company has no employee who is in receipt of remuneration of ₹ 8,50,000 per month/- or ₹ 1,02,00,000 per annum and hence, the company is not required to give information as required under the provisions of Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Further the details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached herewith as **Annexure-D** and names of top ten employees in terms of remuneration drawn by them pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached herewith as **Annexure-E**.

28. **NOMINATION AND REMUNERATION POLICY**

The Board has adopted Nomination and Remuneration Policy for selection and appointment of Directors and Key Managerial personnel and to decide their remuneration. The Nomination and Remuneration policy of the Company acts as a guideline for determining, inter alia, qualification, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of the performance of the Directors and Key Managerial Personnel. The said policy has been revised in accordance with updated provisions of Section 178(2) & Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is on the website of the Company at www.avrofurniture.com.

The salient features of the Nomination and Remuneration Policy are as follows:

- a) It act as a guideline for matters relating to appointment, removal of directors and KMP's and Senior Managerial personnel.

Appointment criteria and qualifications are as follows:

- (i) The Nomination and Remuneration Committee shall identify and ascertain qualifications, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his/her appointment.
- (ii) The Company shall not appoint or continue the employment of any person as Managing Director/ Whole-Time Director or Manager who is below the age of twenty-one years or has attained the age of seventy years provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement indicating the justification for extension of appointment beyond seventy years.
- (iii) The Company shall not appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy years unless a special resolution is passed to that effect in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.
- (iv) Due to any of the qualification as mentioned in the Companies Act, 2013, the Committee may recommend to the Board with reasons recorded in writing, removal of Director or KMP.
- (v) The Whole-Time Director, KMP and Senior Management personnel shall retire as per the applicable provisions of the Companies Act, 2013.

b) Remuneration for Directors, KMPs and other Employees

- (i) The Remuneration/compensation/commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
- (ii) The fees or compensation payable to executive directors who are promoters or members of promoters group shall be subject to the approval of shareholders in general meeting and in accordance with Listing Regulations.
- (iii) The Remuneration payable to each Non-Executive Directors may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- (iv) The approval of shareholders by special resolution shall be obtained every year in which the annual remuneration payable to single non-executive director exceeds fifty percent of the total remuneration payable to all non-executive directors giving details of remuneration thereof.
- (v) The Independent Director shall not be entitled to any stock option of the Company.

29. REPORT ON FRAUD U/S 143(12) OF THE COMPANIES ACT, 2013

The Auditors during the performance of their duties have not identified any offence of fraud committed by the Company or its officers or employees. This is also being supported by the report of the auditors of the Company for the F.Y. ended March 31, 2020. Therefore, no frauds have been reported to the Central Government under Section 143(12) of the Companies Act, 2013.

30. MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the Financial year 2019-20, as stipulated under Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section of this Annual Report as “Annexure-F”

31. CORPORATE GOVERNANCE REPORT

Since your Company is listed on SME Emerge platform of NSE, therefore as per Regulation 15 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the compliance with corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V are not applicable to the Company. Hence, Corporate Governance Report does not form part of this Annual Report.

32. POLICY OF PRESERVATION OF DOCUMENTS

Pursuant to the Regulation 9 of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, the company has adopted the policy of preservation of documents to preserve the documents as per regulation 9(a) & 9(b) of SEBI (LODR) Regulations, 2015. The said policy is on the website of the Company at www.avrofurniture.com.

33. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year 2019-20, no significant and material orders were passed by Regulators or Courts or Tribunals which could impact the going concern status and company's operation in future.

34. COVID-19 IMPACT

Towards the end of March 2020, many of the States/Union Territories across the country in the view of highlighted concern over the spread of Corona Virus disease (COVID-19) issued directives inter-alia to, facilitate work home for majority of its employees. In line with the lockdowns announced by the Central Government, office of the Company was closed from March 21, 2020 till the mid of May, 2020 and employees were provided facility of “Work from Home” to ensure continuity of operations of the Company.

35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO

The requisite information with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo, in terms of the Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 are mentioned below:

A) Conservation of Energy:

The Company has been already using high end imported machines in manufacturing of plastic furniture, hence the consumption of energy is at minimal level. However, the Company has taken necessary steps in order to reduce the consumption of energy as much as it can and reduce the damage to the environment.

B) Technology Absorption:

- i. The Company operates in an industry where the technology plays a major role in its output. We try to adopt the advance technology as per the need of the hour and teach the employees to implement it in the operations of the Company to increase the output and accuracy of its services.
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: Improvement in overall productivity, quality of the services and reduced process scrap and cost.

- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) The details of technology imported: Not Applicable
 - (b) The date of import: Not Applicable
 - (c) Whether the technology has been fully absorbed: Not Applicable
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not Applicable

C) Foreign Exchange Earnings and Outgo:

- i. The foreign exchange earned in terms of actual inflows during the year: Nil
- ii. The foreign exchange outgo during the year in terms of actual outflow: ₹ 1,41,81,927

36. DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(3) of the Companies Act 2013, the Directors state that:

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) Appropriate accounting policies have been selected and applied consistently and have made judgments & estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the company at March 31, 2020 and of the profit of the Company for the year ended March 31, 2020;
- (c) Proper & sufficient care has been taken care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing & detecting fraud & other irregularities;
- (d) The Annual Accounts have been prepared on a going concern basis;
- (e) Proper Internal Financial Controls were followed by the Company and such internal financial controls are adequate and were operating effectively;
- (f) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

37. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for assistance and co-operation received from the various stake holders including Banks, Governmental authorities and other business associates who have extended their valuable support and encouragement during the year under review.

Your Directors take the opportunity to place on record their deep appreciation of the committed services rendered by the employees at all levels of the Company, who have contributed significantly towards Company's performance and for enhancing its inherent strength. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued stakeholders.

**On behalf of the Board of Directors
For Avro India Limited**

**Sd/-
Sushil Kumar Aggarwal
Whole-Time Director
DIN: 00248707**

**Sd/-
Sahil Aggarwal
Managing Director
DIN: 02515025**

**Place: Ghaziabad
Date : 21/08/2020**

ANNEXURE-A

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

{Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014}

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L25200UP1996PLC101013
ii)	Registration Date	01/07/1996
iii)	Name of the Company	AVRO INDIA LIMITED (formerly known as Avon Moldplast Limited)
iv)	Category /Sub- Category of the Company	Company Limited by shares Non-Government Company
v)	Address of the Registered Office and Contact Details	A-7/36-39, South of G.T. Road Industrial Area Electrosteel Casting Compound Ghaziabad - 201009 UP Contact: 0120-4376091
vi)	Whether Listed Company (Yes/No)	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Name: Mas Services Ltd Add: T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi-110020 Ph.: 011 - 26387281/82/83

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacture & Trading of Plastic Furniture	31004	97.28%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GIN	HOLDING/SUBSIDIARY /ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
-	-	-	-	-	-

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

i. Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the Year (01.04.2019)				No. of Shares held at the end of the Year (31.03.2020)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/HUF)	2220000	-	2220000	68.22	2220000	-	2220000	68.22	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	2220000	-	2220000	68.22	2220000	-	2220000	68.22	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A) (2)	2220000	-	2220000	68.22	2220000	-	2220000	68.22	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Fls	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) other (Specify)	-	-	-	-	-	-	-	-	-
a) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	110000	-	110000	3.38	54000	-	54000	1.66	Decrease by 1.72 %
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	333924	-	333924	10.26	320000	-	320000	9.83	Decrease by 0.43%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	590000	-	590000	18.13%	640000	-	640000	19.67	Increase by 1.54%
c) Others (Specify)									
i) NRI (Repat)	-	-	-	-	-	-	-	-	-
ii) NRI (Non Repat)	-	-	-	-	-	-	-	-	-
iii) Clearing Member	-	-	-	20000	-	20000	0.61	-	Increase by 0.61%
Sub-total (B)(2)	1034000	-	1034000	31.78	1034000	-	1034000	31.78	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	1034000	-	1034000	31.78	1034000	-	1034000	31.78	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3254000	-	3254000	100	3254000	-	3254000	100	-

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Sushil Kumar Aggarwal	780000	23.97%	NIL	780000	23.97%	NIL	0.00%
2.	Sahil Aggarwal	450000	13.83%	NIL	450000	13.83%	NIL	0.00%
3.	Anita Aggarwal	690000	21.20%	NIL	690000	21.20%	NIL	0.00%
4.	Kundita Aggarwal	75000	2.30%	NIL	75000	2.30%	NIL	0.00%
5.	Nikhil Aggarwal	75000	2.30%	NIL	75000	2.30%	NIL	0.00%
6.	Sahil Aggarwal HUF	75000	2.30%	NIL	75000	2.30%	NIL	0.00%
7.	Sushil Aggarwal HUF	75000	2.30%	NIL	75000	2.30%	NIL	0.00%
	Total	2220000	68.20%	NIL	2220000	68.20%	NIL	0.00%

iii. Change in Promoters Shareholding (Please Specify, if there is no change)

Sl. NO	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1.	Sushil Kumar Aggarwal				
	At the beginning of the year	780000	23.97%	780000	23.97%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the End of the Year	780000	23.97%	780000	23.97%
2.	Sahil Aggarwal				
	At the beginning of the Year	450000	13.83%	450000	13.83%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the End of the Year	450000	13.83%	450000	13.83%
3.	Anita Aggarwal				
	At the beginning of the Year	690000	21.20%	690000	21.20%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the End of the Year	690000	21.20%	690000	21.20%
4.	Kundita Aggarwal				
	At the beginning of the Year	75000	2.30%	75000	2.30%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the End of the Year	75000	2.30%	75000	2.30%

Sl. NO	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
5.	Nikhil Aggarwal				
	At the beginning of the Year	75000	2.30%	75000	2.30%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the End of the Year	75000	2.30%	75000	2.30%
6.	Sahil Aggarwal HUF				
	At the beginning of the Year	75000	2.30%	75000	2.30%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the End of the Year	75000	2.30%	75000	2.30%
7.	Sushil Kumar Aggarwal HUF				
	At the beginning of the Year	75000	2.30%	75000	2.30%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the End of the Year	75000	2.30%	75000	2.30%

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

Sl. NO	For each of Top 10 Shareholders	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For Each of the Top 10 Shareholders At the Beginning of the Year				
1.	Manish Mittal HUF				
	At the beginning of the Year	156000	4.79%	156000	4.79%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	156000	4.79%	156000	4.79%
2.	K K Securities Limited				
	At the beginning of the Year	108000	3.32%	108000	3.32%
	Purchase on 12.04.2019	+4000	+0.12%	112000	3.44%
	Purchase on 03.05.2019	+4000	+0.12%	116000	3.56%
	Purchase on 24.05.2019	+4000	+0.12%	120000	3.69%
	Sell on 31.05.2019	-2000	-0.06%	118000	3.63%
	Sell on 07.06.2019	-12000	-0.37%	106000	3.26%
	Sell on 21.06.2019	-2000	-0.06%	104000	3.20%
	Sell on 28.06.2019	-4000	-0.12%	100000	3.07%
	Purchase on 26.07.2019	+4000	+0.12%	104000	3.20%
	Sell on 02.08.2019	-8000	-0.24%	96000	2.95%
	Sell on 09.08.2019	-4000	-0.12%	92000	2.83%
	Sell on 16.08.2019	-2000	-0.06%	90000	2.76%
	Sell on 23.08.2019	-2000	-0.06%	88000	2.70%
	Sell on 30.08.2019	-4000	-0.12%	84000	2.58%

	Purchase on 06.09.2019	+6000	+0.18%	90000	2.76%
	Purchase on 04.10.2019	+2000	+0.06%	92000	2.83%
	Purchase on 18.10.2019	+4000	+0.12%	96000	2.95%
	Purchase on 29.11.2019	+8000	+0.24%	104000	3.20%
	Sell on 06.12.2019	-4000	-0.12%	100000	3.07%
	Sell on 13.12.2019	-24000	-0.74%	76000	2.33%
	Sell on 20.12.2019	-4000	-0.12%	72000	2.21%
	Sell on 27.12.2019	-2000	-0.06%	70000	2.15%
	Sell on 03.01.2020	-4000	-0.12%	66000	2.03%
	Sell on 10.01.2020	-4000	-0.12%	62000	1.90%
	Purchase on 24.01.2020	+2000	+0.06%	64000	1.97%
	Sell on 31.01.2020	-10000	-0.31%	54000	1.66%
	Sell on 14.02.2020	-4000	-0.12%	50000	1.54%
	Sell on 21.02.2020	-2000	-0.06%	48000	1.47%
	Sell on 28.02.2020	-2000	-0.06%	46000	1.41%
	Purchase on 13.03.2020	+2000	+0.06%	48000	1.47%
	At the end of year (or on the date of separation, if separated during the year)	48000	1.47%	48000	1.47%
3.	Manju Khandelwal	-	-	-	-
	At the beginning of the Year	75000	2.30%	75000	2.30%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	75000	2.30%	75000	2.30%
4.	Yash Khandelwal				
	At the beginning of the Year	75000	2.30%	75000	2.30%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	75000	2.30%	75000	2.30%
5.	Radhey Shyam				
	At the beginning of the Year	44000	1.35%	44000	1.35%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	44000	1.35%	44000	1.35%
6.	Biharisaran Babulal Khandelwal				
	At the beginning of the Year	40000	1.23%	40000	1.23%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	40000	1.23%	40000	1.23%

7.	Pradeep Kumar Rajgarhia				
	At the beginning of the Year	40000	1.23%	40000	1.23%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	40000	1.23%	40000	1.23%
8.	Vineet Kumar Garg HUF				
	At the beginning of the Year	38000	1.17%	38000	1.17%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	38000	1.17%	38000	1.17%
9.	Asim Goyal				
	At the beginning of the Year	6000	0.18%	6000	0.18%
	Purchase on 07.06.2019	+4000	+0.12%	10000	0.31%
	Purchase on 14.06.2019	+4000	+0.12%	14000	0.43%
	Purchase on 02.08.2019	+4000	+0.12%	18000	0.55%
	Purchase on 27.09.2019	+2000	+0.06%	20000	0.61%
	Purchase on 07.02.2020	+4000	+0.12%	24000	0.74%
	Purchase on 28.02.2020	+6000	+0.18%	30000	0.92%
	At the end of year (or on the date of separation, if separated during the year)	30000	0.92%	30000	0.92%
10.	Avinash Pandey				
	At the beginning of the Year	6000	0.18%	6000	0.18%
	Purchase on 14.06.2019	+6000	+0.18%	12000	0.37%
	Purchase on 09.08.2019	+2000	+0.06%	14000	0.43%
	Purchase on 16.08.2019	+2000	+0.06%	16000	0.49%
	Purchase on 30.08.2019	+4000	+0.12%	20000	0.61%
	Purchase on 07.02.2020	+2000	+0.06%	22000	0.68%
	Purchase on 28.02.2020	+4000	+0.12%	26000	0.80%
	At the end of year (or on the date of separation, if separated during the year)	26000	0.80%	26000	0.80%

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Directors and KMP	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1.	Sushil Kumar Aggarwal (Whole-Time Director)				
	At the beginning of the year	780000	23.97%	780000	23.97%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	780000	23.97%	780000	23.97%
2.	Sahil Aggarwal (Managing Director)				
	At the beginning of the year	450000	13.83%	450000	13.83%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	450000	13.83%	450000	13.83%
3.	Anita Aggarwal (Non-Executive Director)				
	At the beginning of the year	690000	21.20%	690000	21.20%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	690000	21.20%	690000	21.20%
4.	Vandana Gupta (Independent Director)				
	At the beginning of the year	0	0.0%	0	0.00%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	0	0.00%	0	0.00%
5.	Naubahar Singh (Independent Director)				
	At the beginning of the year	0	0.0%	0	0.00%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	0	0.00%	0	0.00%
6.	Ghanshyam Singh (Chief Financial Officer)				
	At the beginning of the year	8000	0.25%	8000	0.25%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	8000	0.25%	8000	0.25%
7.	Shikhar Agarwal* (Company Secretary and Compliance Officer)				
	At the beginning of the year	2000	0.06%	2000	0.06%
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change			
	At the end of year (or on the date of separation, if separated during the year)	2000	0.06%	2000	0.06%

*Mr. Shikhar Agarwal has resigned as a Company Secretary and Compliance Officer w.e.f. August 06, 2020.

V. INDEBTEDNESS

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

	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSIT	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the Financial Year				
1)Principal Amount	3,42,44,254.14	-	-	3,42,44,254.14
2)Interest due but not paid	-	-	-	-
3)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,42,44,254.14	-	-	3,42,44,254.14
Change in Indebtedness during the financial year				
Addition	16,00,000.00	-	-	16,00,000.00
Reduction	(98,14,826.92)	-	-	(98,14,826.92)
Net Change	(82,14,826.92)	-	-	(82,14,826.92)
Indebtedness at the end of the financial year				
i) Principal Amount	2,60,29,427.22	-	-	2,60,29,427.22
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	69,699.00	-	-	69,699.00
Total (i+ii+iii)	2,60,99,126.22	-	-	2,60,99,126.22

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of Managing Director/Whole Time Director		Total Amount
		Mr. Sahil Aggarwal (Managing Director)	Mr. Sushil Kumar Aggarwal (Whole-Time Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act-1961	14,50,000	17,00,000	31,50,000
	(b) Value of perquisites u/s 17(2) Income-tax Act-1961	-	-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act-1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission - as % of profit - others, specify	- -	- -	
5	Others, please specify	-	-	
	Total (A)	14,50,000	17,00,000	31,50,000
	Ceiling as per the Act	Remuneration as per Schedule V of the Companies Act, 2013.		

B. Remuneration to other directors

Sl. No	Particulars of Remuneration	Name of Director			Total Amount
		Naubahar Singh	Vandana Gupta	Prachika Agarwal	
1.	Independent Directors				
	Fee for attending board & Committee meetings	20,000	20,000	5,000	45,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	20,000	20,000	5,000	45,000
2.	Other Non-Executive Directors	Anita Aggarwal	-	-	-
	Fee for attending board committee meeting	11,000	-	-	11,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	11,000	-	-	11,000
	Total (B)=(1+2)	-	-	-	56,000
	Total Managerial Remuneration	-	-	-	56,000
	Overall Ceiling as per the Act	The Sitting fees has been paid within the limits prescribed under the Companies Act, 2013			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
		Shikhar Agarwal*	Ghanshyam Singh	
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,34,930.00	4,58,346.00	8,93,276.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
	Stock Option	-	-	-
	Sweat Equity	-	-	-
	Commission - as % of profit - others, specify	-	-	-
	Others, please specify	-	-	-
	Total	4,34,930.00	4,58,346.00	8,93,276.00

*Mr. Shikhar Agarwal has resigned as a Company Secretary and Compliance Officer w.e.f. August 06, 2020.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment /compounding fees imposed	Authority {RD/NCLT/Court}	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

On behalf of the Board of Directors
For Avro India Limited

Sd/-
Sushil Kumar Aggarwal
Whole-Time Director
DIN: 00248707

Sd/-
Sahil Aggarwal
Managing Director
DIN: 02515025

Place: Ghaziabad
Date : 21/08/2020

ANNEXURE-B

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
Avro India Limited

(Formerly known as Avon Moldplast Limited)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Avro India Limited** (Formerly known as Avon Moldplast Limited) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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; Not applicable as the Company.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable as the Company has not issued Capital during the period under review.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable as the Company has not issued/proposed to issue any Employee Stock Option Scheme and Employee Stock Purchase Scheme during the financial year under review.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable as the Company has not issued and listed any Debt Securities during the financial year under review.
 - 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; Not Applicable as the Company is not registered as Registrars to Issue and Share Transfer Agents during the financial year under review.
 - g. The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009; Not Applicable as the Company has not delisted/proposed to delist its equity shares from any stock exchange during the financial year under review.

- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998; Not Applicable as the Company has not bought back/proposed to buy back any of its securities during the financial year under review.
- i. Securities and Exchange Board of India (Listing Regulations), 2015

Laws specifically applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:

1. The Water (Prevention and Control of Pollution) Act, 1974 & The Water (Prevention and Control of Pollution) Cess Rules, 1975
2. The Air (Prevention and Control of Pollution) Act, 1981
3. The Environment (Protection) Act, 1986 & the Environment (Protection) Rules 1986
4. The Noise Pollution (Regulation and Control) Rules 2000;
5. Legal Metrology Act, 2009.
6. Provisions related to unfair or restrictive trade practices of the Monopolies and Restrictive Trade Practices Act, 1969.
7. Standard Weights and Measure Act, 1976;
8. Trademarks Act, 1999.
9. Design Act, 2000

We further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads / Company Secretary / Executive Director/ Internal Auditor, taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws.

We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws, Service tax and others detailed under Tax Legislations, have not been reviewed and We have relied on the representations made by the Company, its Officers and Reports issued by the Statutory Auditors.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

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

We further report that During the period under review, the Board of Directors of the Company was 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 notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period, the Company has not entered into/carried out any specific events/ actions which may have a major bearing on the Company's affairs.

We further report that during the Audit Period, the Company had the following specific events:

1. The Board of Directors proposed to change the name of the Company from "AVON MOLDPLAST LIMITED" to "AVRO INDIA LIMITED" dated 9th October, 2019 which was further approved by the shareholders of the company dated 17th October 2019. Company filed INC-24 on 18th October, 2019 with Registrar of Companies for its approval. The Registrar of Companies issued a fresh certificate of incorporation dated 18/10/2019.
2. The Company has filed an application for the Condonation of delay in Form CG-1 under section 460 of the Companies Act, 2013 in pursuance to the non-filing of E-form MGT -14 with reference to the resolution passed under section 185 read with rules made thereunder and other applicable provisions of the Companies Act 2013 in its meeting held on 22nd March, 2018. Form CG-1 got approved on 28/04/2020 and copy of order has been received. Further Form MGT-14 has been filed and Registrar of Companies approved the same on 15th July, 2020.
3. The Company has filed an application suo-motto to Registrar of Companies in form GNL-1 vide SRN H44568541 for the violation of provisions of section 166(2) of the Companies Act, 1956 and Section 96(2) of the Companies Act, 2013 relating to holding of Annual General Meeting at a place outside city, town, village where the registered office was situated for the financial year 2010 to 2017. The status of e-form is still pending as on date of report.

For Jinu Jain
Company Secretaries

Place: Ghaziabad
Date: 24/07/2020

Sd/-
Jinu Jain
FCS No.: 9058; COP No: 10379
UDIN: F009058B000502012

ANNEXURE- 1

To
The Members
Avro India Limited
(Formerly Avon Moldplast Limited)
A-7/36-39, South of G.T.Road Industrial Area Electrosteel
Casting Compound Ghaziabad UP 201009

Our Secretarial Audit report for the financial year 2019-20 is to be read along with this letter.

Management Responsibility:

- i. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
- ii. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
- iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or verified compliance of laws other than those mentioned above;
- iv. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis;
- v. 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.

For Jinu Jain
Company Secretaries

Place: Ghaziabad
Date: 24/07/2020

Sd/-
Jinu Jain
FCS No.: 9058; COP No: 10379
UDIN: F009058B000502012

ANNEXURE-C

FORM NO. AOC-2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

The Company has not entered into contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length basis during FY 2019-20.

- Name(s) of the related party and nature of relationship- Not Applicable
- Nature of contracts/arrangements/transactions- Not Applicable
- Duration of the contracts/arrangements/transactions-Not Applicable
- Salient terms of the contracts or arrangements or transactions including the value, if any- Not Applicable
- Justification for entering into such contracts or arrangements or transactions- Not Applicable
- Date(s) of approval by the Board- Not Applicable
- Amount paid as advances, if any- Not Applicable
- Date on which the Special Resolution was passed in general meeting as required under first proviso to section 188- Not Applicable

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

Sr. No.	Particulars	RPT – 1
1.	Name(s) of the related party and nature of relationship	Bonita Furniture Pvt. Ltd. Enterprises where Significant influence exists
2.	Nature of contracts/ arrangements/ transactions	Sale, Purchase or supply of goods or materials.
3.	Duration of the contracts/ arrangements/ transactions	Upto Four Years from 21.09.2020 to 20.09.2024
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	Based on Market Price
5.	Date(s) of approval by the Board, if any	November 13, 2019
6.	Amount paid as advances, if any	NIL

On behalf of the Board of Directors
For Avro India Limited

Sd/-
Sushil Kumar Aggarwal
Whole-Time Director
DIN: 00248707

Sd/-
Sahil Aggarwal
Managing Director
DIN: 02515025

Place: Ghaziabad
Date : 21/08/2020

ANNEXURE-D

Disclosures pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) **The ratio of remuneration of each director to the median remuneration of employees for the financial year:**

Sr. No.	Name	Designation	Ratio against median employee's remuneration*
1.	Mr. Sahil Aggarwal	Managing Director	16.77:1
2.	Mr. Sushil Kumar Aggarwal	Whole-Time Director	19.66:1

*Median remuneration of employees is calculated excluding remuneration to Managing Director and Whole Time Director.

b) **The Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

S. No.	Name of the Director/CFO/CS/Manager	Category	% Increase in Remuneration in the financial year
1.	Mr. Sahil Aggarwal	Managing Director	-27.50*
2.	Mr. Sushil Kumar Aggarwal	Whole-Time Director	-29.17*
3.	Mr. Ghanshyam Singh	Chief Financial Officer	N.A. (He has been appointed as CFO on 24.01.2019, therefore % increase has not been computed)
4.	Mr. Shikhar Agarwal**	Company Secretary	5.98

* During the year, remuneration of Mr. Sahil Aggarwal, Managing Director and Mr. Sushil Kumar Aggarwal, Whole Time Director was revised and reduced to ₹ 1,00,000 per month w.e.f. September 01, 2019.

**Mr. Shikhar Agarwal has resigned as a Company Secretary and Compliance Officer of the Company w.e.f. August 06, 2020.

c) **The percentage increase in the median remuneration of employees in the financial year:**

The Percentage increase in median remuneration of Employees in the financial year was -1.04%.

d) **The number of permanent employees on the rolls of the Company:** 46 Employees as on March 31, 2020.

e) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in remuneration of the employees is 25.86%. The average increase in overall managerial remuneration is -28.33%.

f) **Affirmation that remuneration is as per the remuneration policy of the Company.**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

On behalf of the Board of Directors
For Avro India Limited

Sd/-
Sushil Kumar Aggarwal
Whole-Time Director
DIN: 00248707

Sd/-
Sahil Aggarwal
Managing Director
DIN: 02515025

Place: Ghaziabad
Date : 21/08/2020

ANNEXURE-E

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended March 31, 2020.

Name of top ten employees in terms of remuneration drawn:

Employee Name	Designation	Qualifications and experience of the employee	Date of Joining	Remuneration Received	Age	Last employment held by employee
Rajeev Kumar	Quality Head	B.Tech & 17 Years	07/02/2018	4,98,891	40	Moser Baer India Ltd
Ghanshyam Singh	Chief Financial officer	Graduation & 13 Years	08/08/2011	4,58,346	33	M/s. Advance stillmul Engineering pvt ltd.
Shikhar Agarwal	Company Secretary & Compliance officer	CS, LL.B 4 Years	01/01/2018	4,34,930	26	M/s. Vinayak Vanijya Limited
Nishant Sharma	Accounts - Dispatch	Graduate & 12 Years	16/07/2018	3,46,596	35	Rising Sun Aeromass & Spiritual Pvt Ltd
Prashant Kumar Soni	Area Sales Manager	B.Com & 6 Years	01/04/2019	3,39,871	29	S.S. Enterprises Pvt Ltd.
Rakesh Kumar	Marketing Head	MBA-Marketing & 13 Years	25/05/2008	3,31,400	36	N.A.
Vikas Bhatia	Marketing Head	MBA – Marketing & 18 Years	29/08/2013	3,31,400	46	Kellogs India Private Limited
Medha Rani	Brand Manager	M.B.A Media Management & 5 Years	01/12/2018	3,16,261	30	Auriga Consultancy & Management Services Pvt Ltd
Dushyant Kumar	Engineer Electrical	Diploma (Mechanical) B.Tech & 9 Years	01/03/2019	3,00,673	30	Precisions Moulds & Die Pvt Ltd.
Shekhar Jha	Accounts Dispatch	B.Com & 12 Years	01/03/2016	2,86,900	32	Brakewel Automotive Components India Pvt Ltd

Notes:

- 1) There was no such employees employed throughout the financial year who was in receipt of remuneration for that year which, in the aggregate, not less than one crore and two lakh rupees.
- 2) There was no such employees employed for a part of the financial year who was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, not less than eight lakh and fifty thousand rupees per month.
- 3) None of the employees were in receipt of remuneration which in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.
- 4) None of the employees mentioned above are relative of any Director of the Company.

On behalf of the Board of Directors
For Avro India Limited

Sd/-
Sushil Kumar Aggarwal
Whole-Time Director
DIN: 00248707

Sd/-
Sahil Aggarwal
Managing Director
DIN: 02515025

Place: Ghaziabad
Date : 21/08/2020

ANNEXURE-F

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The Plastic Industry is one of the most evolving business in recent times. The application of plastics can be found in almost every sector such as medical, aerospace, automotive, packaging, household appliances, construction and many more.

Plastic material is gaining notable importance in different spheres of activity and the per capita consumption is increasing at a fast pace. Continuous advancements and developments in Plastic technology, processing machineries, expertise and cost-effective manufacturing is replacing the typical materials. The sector has a large presence of small-scale companies in the industry, which account for more than 50% turnover of the Industry.

The Indian Plastics industry offers excellent potential in terms of capacity, infrastructure and skilled manpower. It is supported by a large number of polymer producers and plastic process machinery and mould manufacturers in the country.

COMPANY OVERVIEW

Our Company is engaged in the manufacturing of Plastic molded furniture. It has increased its products range by adding the new designs. It is increasing its presence through strong distribution network.

The Company with its constant endeavour for innovation will continue to introduce many new and innovative products and thereby will fulfill its commitment to the society as a whole by offering premium quality products at the most affordable price.

BUSINESS OUTLOOK

With the reduction in GST rate from 28% to 18%, the Plastics Industry is relieved from higher taxes to playing platform. The Government has also lightened certain provisions and relief from some complex provisions. The reduction in GST rates and other initiatives of the government for ease of doing business has helped the company in various ways.

The Company has kept its commitment to improve and increase the overall business growth and added many varieties of new products. The Company is in the process to manufacture new range of plastic furniture's with modern design and best quality in line with consumer preferences and useful utilities in reasonable price.

Opportunities

- The hunt for lightweight and affordable materials in the furniture Industry is giving rise to the adoption of Plastics in lieu of heavy-weight metals in modern furniture designs. Owing to the high-performance material properties of plastic, the demand for plastic furniture is likely to surge rapidly in the coming years.
- Researchers are exploring possibility for improving characteristics of thermoplastics in order to enable plastic furniture manufacturers to reduce manufacturing costs and offer unique designs to leverage the increasing the sales potential of plastic furniture.
- Manufacturers in the plastic furniture market are modifying their business strategies to capitalize on the growth of the e-commerce industry as a potential distribution channel, as millennial consumers are highly inclined towards purchasing furniture online.

With the growing awareness about the negative impacts of plastic pollution on the environment, the adoption of recycled plastic materials is expected to increase in the plastic furniture market.

Possible threats to the company are as follows:

- Fluctuating Market Conditions
- Uncertain Government Policies
- Technological changes
- Reduction in Market share
- Intense Competition from Counterparts
- Economic Slowdown due to Covid-19

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company's business activities fall within single or primary business segment. Accordingly, disclosures under Accounting standard 17, segment reporting as mandated under Section 133 of Companies Act, 2013 read with rules framed thereunder are not required to be made.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring that all transactions are authorized, recorded and correctly reported, all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastage and maintenance of proper accounting records for ensuring accuracy and reliability of its financial information. The Board has constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records and accordingly appropriate actions are taken by the management.

FINANCIAL HIGHLIGHTS

Standalone Abridged Profit and Loss Account

(Amount in ₹)

PARTICULARS	2019-20	2018-19
Income from Business Operations	44,06,60,637	49,06,40,969
Other Income	40,81,462	38,88,436
Total Income	44,47,42,099	49,45,29,405
Less: Expenditure except Depreciation & Finance cost	41,32,42,604	46,22,15,971
Profit/Loss before Interest, Depreciation and Tax	3,14,99,495	3,23,13,434
Less: Interest and other Financial Charge(s)	29,34,731	18,47,748
Profit/Loss before Depreciation and Tax	2,85,64,763	3,04,65,686
Less: Depreciation	1,45,38,283	1,29,07,841
Profit/Loss before Tax before Exceptional & Extraordinary item	1,40,26,481	1,75,57,845
Less: Exceptional Item	-	25,00,000
Less: Extraordinary item	-	14,36,000
Profit/Loss before Tax	1,40,26,481	1,36,21,845
Less: Tax Expense	37,48,483	40,61,383
Add/Less: Deferred Tax	(10,76,309)	10,20,065
Net Profit/Loss after Tax	1,13,54,307	85,40,397
Earnings per share:		
Basic-	3.49	2.62
Diluted	3.49	2.62

Significant Changes in Key Financial Ratios

Particulars	FY 2019-20	FY 2018-19	% Change as compared to previous FY
Debtors Turnover Ratio ^a	5.41	7.31	-26.02%
Inventory Turnover Ratio ^b	27.85	29.46	-5.46%
Interest Coverage Ratio ^c	5.64	7.70	-26.77%
Current Ratio	2.16	1.74	24.15%
Debt Equity Ratio ^d	0.26	0.38	-32.58%
Operating Profit Margin (%) ^e	3.43%	3.55%	-3.25%
Net Profit Margin (%) ^f	2.58%	1.74%	48.03%
Return on Net Worth (%) ^g	11.30%	9.59%	17.92%

- a Decrease in Debtors Turnover Ratio is due to decrease in credit sales without any corresponding decrease in average Trade Receivables
- b Inventory Turnover Ratio is calculated dividing Cost of Goods Sold (COGS) by average total Inventory (Inventory consists of balance pertaining to Raw Material, Finished Goods, Spare Parts, Packing Material etc.).
- c Interest coverage ratio is computed on interest over profit before Interest, tax, exceptional & Extraordinary Item.
- d Debt Equity ratio is computed on total outsiders' liability (including Long Term Debt and Short Term Both) over total equity. Decline in Ratio is on account of low balance due in Cash Credit Account, repayment of Car loan and increase in total equity due to accumulated reserves.
- e Operating profit margin is computed on profit before interest, tax, extraordinary item, exceptional item & other non-operating income over revenue from operations.
- f Net profit Margin is computed on profit of the year over revenue from operations. Change in Net profit margin is in view of reduction in exceptional items and extraordinary item by ₹ 39.36 Lakhs in FY 2018-19.
- g Return on net worth is computed on profit of the year over total equity. Change in return on Net worth is in view of reduction in extraordinary and exceptional item.

RISK MANAGEMENT

The Company is exposed to several potential risks like technological changes, political risks, product distribution both from internal and external sources. To ensure our long-term corporate success, it is essential to identify, analyze and mitigate risk by appropriate control measures.

The identified risks are reviewed and evaluated on continuous basis and suitable steps are timely taken to mitigate the same. The implementation of various strategies to control the said risk is monitored regularly. The Board reviews the Risk Management process periodically.

The Company has exposure to foreign currency required to make payment in foreign currency for import of machinery and molds. The change in the exchange rate between the US Dollar and the Indian Rupee may have negative impact on the Company's result and financial condition.

The Company is exposed to the risk of price fluctuation on raw materials as well as finished goods. The Company apart from passing the cost to end user also manages these risks in inventory management etc.

The Company has developed new products to meet the growing demand and customer needs. Although the competition in the market has been increasing, your Company is able to control the same by strategic planning and improved manufacturing process.

HUMAN RESOURCES

Your Company's Industrial relations continued to be harmonious during the year under review.

Employees form the greatest source for any company's success and growth. They are evaluated based on their strengths, potential to achieve and determination to grow head. Learning and being innovative is a very important aspect for every employee and the company recommends employees to continue learning from within the company's framework by contributing and constantly exploring new innovative ideas for the upliftment of the organization.

It is very important to motivate the employees and encourage them to take decisions and initiatives towards the betterment of their work. The Company encourages and provides them a safe and motivating work environment. Furthermore, various training and educational seminars and events are organized with proper emphasis given on health and safety issues. The Company has always followed process of appraisal from time to time, to recognize talents and ensure that employees are remain devoted to the organization on a long term.

CAUTIONARY STATEMENT

Certain statements in the reports of the Board of Directors and Management's Discussions and Analysis may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied depending upon economic conditions, Government policies and other incidental factors. Taxation laws, economic development, cost of raw materials, interest and power cost are the few extraneous variables that influence the Company's operations.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AVRO INDIA LIMITED (Formerly known as Avon Moldplast Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/s. Avro India Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, and the Statement of Cash Flows for the year then ended, and notes to financial statements, including 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 31st March, 2020, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

Sr. No.	Key Audit Matters	Auditor's Response
1.	Related party transactions: We refer to the note no. 25(26). The company has entered into several transactions with related parties during the year 2019-20. We identified related party transactions as a key audit matter because of risks with respect to completeness of disclosures made in the financial statements; non-compliance with statutory regulations governing related party relationships such as the Companies Act, 2013 and SEBI Regulations and the judgment involved in assessing whether transactions with related parties are undertaken at arm's length.	Our audit procedures included the following: - We carried out an assessment of the key controls to identify and disclose related party relationships and transactions in accordance with the relevant accounting standard. - We carried out an assessment of compliance with the listing regulations and the regulations under the Companies Act, 2013, including checking of approvals/ scrutiny as specified in sections 177 and 188 of the Companies Act, 2013 with respect to the related party transactions. In cases where the matter was subject to interpretation, we exercised judgment to rely on opinions provided by management. - We considered the adequacy and appropriateness of the disclosures in the financial statements, relating to the related party transactions. - For transactions with related parties, we inspected relevant ledgers, agreements and other information that may indicate the existence of related party relationships or transactions. We also tested completeness of related parties with reference to the various registers maintained by the company statutorily.

2.	Appropriateness of recognition criteria and measurement bases on Provisions and contingent liabilities: Company has legal, regulatory and taxation matters where it requires the company to recognize, measure, present and disclose provisions and contingent liabilities. High level of judgment is required in estimating the level of provisioning as well to classify it as provisions or contingent liabilities. Refer Note 25(14) of the Standalone Financial Statements.	• We assessed the management's basis and the groundwork for the amount recognized as Provisions and contingent liabilities. • Performed substantive procedures on the underlying calculations supporting the provisions recorded. • We ensured that Provisions were determined based on the best estimate required to settle the obligation at the reporting date. • We examined the reasonableness and adequacy of the amounts provided for. • Read Actuarial valuation report as per AS 15 obtained by the management.
3.	Valuation of scrap: We have identified scarp as a key audit matter as manufacturing companies pays close attention to their scrap rate, as this affects their profits. Whether the company plans to reuse the excess materials, sell it, recycle it, all of these tasks requires additional time, labour and energy. Timely and regular disposal is very important for any organization as it saves the storage cost.	Our audit procedures included: • We reviewed the internal control on scrap materials, as regards its generations, storage and disposal and see whether it was properly followed at every stage. • Ensured that there exists a proper procedure to identify the scrap and made sure that good quality material is not mixed up with it. • Ascertained whether the organization is maintaining reasonable records for the sale and disposal of scarps. • Review the production for the determination of the extent of scarp materials that may arise in the given period. • Checked the rules for re-use of scarp and valuation process.

Emphasis of Matter

As more fully described in Note no 25(4c) to the Standalone Financial Statement. The Company is responding to inquiries to Central Intelligent Unit (CIU) under the provision of Central Goods and Service Tax Act, 2017 and rules made applicable Vide Section 174 of Central Goods and Service Tax Act, 2017. The Scope, duration or outcomes of these matters are uncertain.

Our opinion is not modified in subject to these matters.

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

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

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

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

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

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our

report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31st, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our Opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. Company has disclosed the impact of pending litigations as at 31st March, 2020 on its financial position in its standalone financial statement.
 - ii. The company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Sushil Lal & Associates
Chartered Accountants

FRN- 021758N

Sd/-

Rajib Kumar Karn
Partner

M.No.304483

UDIN: 20304483AAAAAC6728

Place of Signature: Ghaziabad

Date: 29.06.2020

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 1 under the heading of ‘Report on Other Legal and Regulatory Requirements’ of our report to the members of **Avro India Limited** of even date:

In terms of information and explanations given to us and the books and records examined by us, we report that:

- (i) (a) The Company’s Fixed Asset Register requiring full particulars, including quantitative details and situation of fixed assets remained pending for updation since last year.
- (b) According to the information and explanations given to us, the fixed assets were physically verified during the year by the management in accordance with the programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, material discrepancies were noticed on verification conducted during the year as compared with the book records. The discrepancies have been properly dealt with in the books of accounts.
- (c) Based upon the audit procedures performed, the title deeds of the immovable property are held in the name of the company M/s Avon Moldplast Pvt Ltd but the company has converted from Avon Moldplast Pvt Ltd. to Avro India Limited and title deeds has not changed.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, sub-clause(a), (b) and (c) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the Company.
- (vi) As informed to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act, in respect of the activities carried by the company. This reporting under clause 3(vi) of the order is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company is generally regular in depositing undisputed statutory dues with the appropriate authorities including Provident Fund, Income-Tax, Goods and Services Tax, Cess and any other statutory dues.
- (b) According to the information and explanation given to us, there were no statutory dues related to Provident Fund, Income Tax, Goods and Services Tax, outstanding on account of any dispute.
- (viii) According to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders as applicable.
- (ix) Based upon the audit procedures performed and the information and explanations given to us the company has not raised moneys by way of initial public offer and company’s utilization of funds from the Fresh Issue of shares is as per the objectives stated in the Prospectus under section 26 & 32 of Companies Act, 2013 and the company has taken term loan and utilized for the specified purpose.
- (x) To the best of our knowledge, and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us, managerial remuneration has been paid in accordance with the provisions laid down under Section 197 and read with Schedule V of the Companies Act, 2013 and the rules made there.

- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by applicable Accounting Standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, provisions of clause 3 (xiv) of the order are not applicable to the company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the order is not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the order are not applicable to the company hence not commented upon.

For Sushil Lal & Associates
Chartered Accountants

FRN- 021758N

Sd/-
Rajib Kumar Karn
Partner
M.No.304483
UDIN: 20304483AAAAAC6728

Place of Signature: Ghaziabad
Date: 29.06.2020

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls 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 unauthorised 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 years 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal financial 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 Sushil Lal & Associates

Chartered Accountants

FRN- 021758N

Sd/-

Rajib Kumar Karn

Partner

M.No.304483

UDIN: 20304483AAAAAC6728

Place of Signature: Ghaziabad

Date: 29.06.2020

BALANCE SHEET AS AT 31ST MARCH, 2020

(Amount in ₹)

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
		31.03.2020	31.03.2019
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	3,25,40,000	3,25,40,000
(b) Reserves and surplus	3	10,02,33,470	8,88,79,163
(2) Non-current liabilities			
(a) Long-term borrowings	4	99,45,344	1,02,24,796
(b) Deferred tax liabilities (net)	5	-	10,12,045
(c) Long-term provisions	6	5,81,529	5,83,892
(3) Current liabilities			
(a) Short-term borrowings	7	1,46,54,967	2,06,54,410
(b) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; and		95,62,608	1,09,20,098
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	8	1,81,05,349	2,26,26,970
(c) Other current liabilities	9	72,03,267	90,64,482
(d) Short-term provisions	10	37,57,523	40,85,577
TOTAL		19,65,84,057	20,05,91,433
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment			
(i) Tangible assets	11	8,14,21,875	8,34,51,479
(ii) Intangible assets	11	34,856	-
(b) Deferred tax assets (net)	5	64,264	-
(c) Other non-current assets	12	10,417	-
(2) Current assets			
(a) Current investments	13	37,12,941	14,28,555
(b) Inventories	14	1,44,35,499	1,33,26,481
(c) Trade receivables	15	8,11,67,913	8,17,09,136
(d) Cash and cash equivalents	16	19,80,381	51,21,216
(e) Other current assets	17	1,37,55,911	1,55,54,566
TOTAL		19,65,84,057	20,05,91,433
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements (Note No. 1-25).

As per our report of even date attached

For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

Sd/-
Rajib Kumar Karn
Partner
M. No. 304483

Place: Ghaziabad
Date: 29 June, 2020

**For and on behalf of the Board of Directors of
Avro India Limited**

Sd/-
Sushil Kumar Aggarwal
Chairman
DIN-00248707

Sd/-
Ghanshyam Singh
Chief Financial Officer
PAN-CWCPS4843P

Sd/-
Sahil Aggarwal
Managing Director
DIN-02515025

Sd/-
Shikhar Agarwal
Company Secretary
PAN-BDUPA5568F

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020

(Amount in ₹)

Particulars	Note No.	Figures as at the end of current reporting period From 01.04.2019 to 31.03.2020	Figures as at the end of previous reporting period From 01.04.2018 to 31.03.2019
I. Revenue from operations	18	44,06,60,637	49,06,40,969
II. Other Income	19	40,81,462	38,88,436
III. Total Revenue (I +II)		44,47,42,099	49,45,29,405
IV. Expenses:			
Cost of materials consumed	20	15,25,99,464	21,71,53,438
Purchases of Stock-in-trade		22,11,23,586	17,97,00,274
Changes in inventories of finished goods	21	(36,92,370)	73,84,416
Employee benefits expense	22	1,11,06,139	1,28,99,727
Finance costs	23	29,34,731	18,47,748
Depreciation and amortization expense	11	1,45,38,283	1,29,07,841
Other expenses	24	3,21,05,785	4,50,78,116
Total Expenses		43,07,15,618	47,69,71,560
V. Profit before exceptional and extraordinary items and tax (III - IV)		1,40,26,481	1,75,57,845
VI. Exceptional Items			25,00,000
VII. Profit before extraordinary items and tax (V - VI)		1,40,26,481	1,50,57,845
VIII. Extraordinary items			14,36,000
IX. Profit before tax (VII - VIII)		1,40,26,481	1,36,21,845
X. Tax expense:			
(1a) Current tax		37,26,436	40,61,383
(1b) Earlier Year Tax		22,047	
(2) Deferred tax		(10,76,309)	10,20,065
XI. Profit/(Loss) for the period from continuing operations (IX-X)		1,13,54,307	85,40,397
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discontinuing operations			
XIV. Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		1,13,54,307	85,40,397
XVI. Earning per equity share: (equity share of ₹10/- each)			
(1) Basic (₹)		3.49	2.62
(2) Diluted (₹)		3.49	2.62
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements (Note No. 1-25).

As per our report of even date attached

For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

Sd/-
Rajib Kumar Karn
Partner
M. No. 304483

Place: Ghaziabad
Date: 29 June, 2020

For and on behalf of the Board of Directors of
Avro India Limited

Sd/-
Sushil Kumar Aggarwal
Chairman
DIN-00248707

Sd/-
Ghanshyam Singh
Chief Financial Officer
PAN-CWCPS4843P

Sd/-
Sahil Aggarwal
Managing Director
DIN-02515025

Sd/-
Shikhar Agarwal
Company Secretary
PAN-BDUPA5568F

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020

(Amount in ₹)

Particulars	Figures as at the end of current reporting period ₹	Figures as at the end of previous reporting period ₹
	31.03.2020	31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation, and extraordinary items	1,40,26,481	1,50,57,845
Adjustment for:		
Add: Depreciation	1,45,38,283	1,29,07,841
Add: Finance costs	31,02,338	18,47,748
Add: Assets written off	11,56,487	55,271
Add: Adjustment to the Carrying Value of Investment	34,654	-
Less: Interest on fixed deposits	(1,74,439)	(6,19,815)
Less: Profit on sale of assets	(4,75,826)	(9,24,879)
Less: Adjustments to the Carrying Value of Investment	-	-
Less: Profit on redemption of mutual fund	(49,924)	(29,164)
Operating profit before working capital changes	3,21,58,054	2,82,94,847
Adjustment for change in working capital		
(Increase)/Decrease in trade receivables	5,41,223	(2,95,42,486)
(Increase)/Decrease in inventories	(11,09,018)	23,18,745
(Increase)/Decrease other current assets	4,80,931	(54,45,811)
(Increase)/Decrease other non - current assets	(10,417)	-
Increase/(Decrease) in trade payables	(58,79,111)	(1,06,83,819)
Increase/(Decrease) in other current liabilities	74,717	(24,84,209)
Increase/(Decrease) in long term provisions	(2,363)	1,40,313
Increase/(Decrease) in short- term provisions	6,893	9,58,684
Increase/(Decrease) in operating activities due to adjustment	-	-
Cash generated from operations	2,62,60,909	(1,64,43,736)
Less: Income taxes paid	(39,00,000)	(40,61,383)
Net Cash generated from operating activities (A)	2,23,60,909	(2,05,05,119)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(1,69,40,902)	(2,28,60,831)
Proceeds from sale of tangible assets	48,51,000	34,85,000
Interest on fixed deposits	1,74,439	6,19,815
Proceeds from sale of investments	73,30,884	30,10,609
Purchase of investments	(96,00,000)	(44,10,000)
Net cash used in investing activities	(1,41,84,579)	(2,01,55,407)
Proceeds from issue of share capital	-	88,40,000
Securities premium	-	3,62,44,000
Proceeds from long term borrowings	16,00,000	14,50,650
Repayment of long term borrowings	(38,15,384)	(46,71,729)
Proceeds from short term borrowings	28,84,45,386	46,20,29,200
Repayment of short term borrowings	(29,44,44,829)	(45,79,22,872)
Finance costs	(31,02,338)	(18,47,748)
Net cash used in financing activities before extraordinary items	(1,13,17,165)	4,41,21,501
Less: Extraordinary items	-	(14,36,000)
Net cash used in financing activities (C)	(1,13,17,165)	4,26,85,501
Net increase/(decrease) in cash and cash equivalents (A + B + C)	31,40,835	20,24,975
Add: Cash and cash equivalents at the beginning of the period	51,21,216	30,96,241
Cash and cash equivalents at the end of the period as per Cash Flow	19,80,381	51,21,216
Reconciliation of Cash & Cash Equivalents with Balance Sheet		
Cash & Cash equivalent as per Balance Sheet	19,80,381	51,21,216
Less: Other earmarked Balances		
Cash and cash equivalents at the end of the period as per Cash Flow	19,80,381	51,21,216
Significant Accounting Policies	1	

The accompanying notes form an integral part of the financial statements (Note No.1-25).

Notes: i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 'Cash Flow Statement'.
ii) Cash and cash equivalent consists of cash in hand and deposits with bank other than original maturity period in excess of twelve months.

As per our report of even date attached

For and on behalf of the Board of Directors of
Avro India Limited

For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

Sd/-
Rajib Kumar Karn
Partner
M. No. 304483

Place: Ghaziabad
Date: 29 June, 2020

Sd/-
Sushil Kumar Aggarwal
Chairman
DIN-00248707

Sd/-
Ghanshyam Singh
Chief Financial Officer
PAN-CWCPS4843P

Sd/-
Sahil Aggarwal
Managing Director
DIN-02515025

Sd/-
Shikhar Aggarwal
Company Secretary
PAN-BDUPA5568F

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

CORPORATE INFORMATION

AVRO INDIA LIMITED (Formerly known as AVON MOLDPLAST LIMITED) is a public listed company incorporated on 01st July 1996 under Companies Act, 1956 having its registered office at A-7/36-39, South of G.T. Road Industrial Area, Electrosteel Casting Compound Ghaziabad – 201009 UP. The shares of the company are listed on NSE Emerge SME Platform in the month of July 2018.

The company is engaged in manufacturing and selling of plastic molded furniture and granules and have established the brand name “AVON FURNITURE” and “AVRO FURNITURE” besides host of other brands. Company recently changed its name from AVON MOLDPLAST LIMITED to AVRO INDIA LIMITED on 18th October, 2019. The products of the Company are sold in U.P., Punjab, Haryana, Delhi, Rajasthan, Gujarat, across north India and major distributors are located in the state of Uttar Pradesh.

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of financial statement

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, Companies (Accounts) Rules, 2014 and amended till date and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”). These financial statements have been prepared to comply with all the material aspects with the accounting standards notified under Companies Act. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistently applied.

b. Uses of Estimates

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known/ materialized.

All the assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

c. Property, Plant & Equipment (Tangible) and Intangible Assets

Property, Plant & Equipment (Tangible assets) are stated at cost less depreciation and impairment losses and include the amount adjusted on revaluation, if any. The cost of property, plant & equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any other directly attributable cost of bringing the assets to its working condition for its intended use.

Borrowing costs that are directly attributable to the acquisition / construction of the qualifying asset are capitalised as part of the cost of such asset, up to the date of acquisition / completion of construction.

Property, Plant & Equipment (Tangible assets) which are not yet ready for their intended use i.e. capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Gains or Losses arising from de-recognition of property, plant & equipment (tangible assets) are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognized in the statement of profit and loss when the asset is derecognized.

Intangible Assets acquired separately are measured on initial recognition at cost. Following the initial recognition, Intangible Assets are carried at cost less accumulated amortization and accumulated impairment, if any. Gains or losses arising from de-recognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the Asset and are recognized in the statement of profit and loss when the asset is derecognized.

d. Depreciation and Amortization

Depreciation on Property, Plant & Equipment (Tangible Assets) is provided on “Written down Value Method” over the useful lives specified in Schedule II of Companies Act, 2013.

Depreciation/amortization in respect to additions to/ deletions from the assets is charged on pro-rata basis with reference to the date of addition/ deletion of the assets.

Intangible assets are to be amortized on straight line basis over a period of five years.

e. Impairment of Property, Plant & Equipment (Tangible) and intangible assets

The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors or an annual impairment testing for an asset is required. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

f. Inventories

Inventories includes raw material, work-in-progress, finished goods, store & spare, packing material are valued at lower of cost and net realizable value.

Raw material and components: Cost includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using first in first out (FIFO) basis.

Finished Goods: Cost includes cost of direct material, labor, other direct cost and a proportion of fixed manufacturing overhead allocated based on the normal operating capacity but excluding borrowing cost. Cost is determined on weighted average cost basis. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods.

Store, spare parts, packing material etc.: Cost is determined on FIFO basis.

Inter divisional transfers are valued at works/factory costs of the transferor unit/ division, plus transport and other charges.

g. Investments

Recognition and Measurement

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Presentation and disclosures

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as Non-Current investments.

h. Revenue Recognition

Income from sale of goods

Revenue from sales is recognised when significant risks and rewards of ownership have been transferred to the buyer which is normally on delivery of goods (inclusive of GST) & when there is reasonable certainty and reliability of ultimate realization.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend

Dividends are recorded when the right to receive payment is established.

Rental Income

Rental income is recognized on accrual basis in accordance with the terms of the respective rent agreements.

The Company adopts the mercantile method in the preparation of the accounts. Claims/ refunds not ascertainable with reasonable certainty are accounted for, on final settlement.

i. Foreign Currency Transactions

On initial recognition, all foreign currency transactions are converted and recorded at exchange rates prevailing on the date of the transaction.

As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

j. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

k. Leases (As Lessee)

i. Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not retained by the company are classified as operating leases. Lease payments under an operating lease are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the period of lease.

ii. Finance lease

Leases of property, plant and equipment, where the company (as lessee) has substantially all the risks and rewards of ownership, are classified as finance leases. Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Leases (As Lessor)

i. Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred by the company are classified as operating leases. Rental Income from operating lease are recognized on a straight-line basis over the period of lease.

ii. Finance lease

Leases of property, plant and equipment, where the company (as lessor) has substantially transferred all the risks and rewards of ownership, are classified as finance leases. Amounts due from lessees under finance leases are recorded as receivables. Lease Income are apportioned between the finance charge and the outstanding receivable. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the receivable.

l. Earnings Per Share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of Equity shares outstanding during the period/year.

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

m. Employee Benefits

Liabilities for salaries and wages, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period/year in which the employees render the related service are recognised in respect of employees' service up to the end of the period/year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

Post-Employment Benefits

Defined Contribution Plan: The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contribution are recognised as employee benefit expense when they are due.

Defined Benefit Plan: For defined benefit plan in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period/year in which they occur.

Long Term Employee Benefits

Entitlements to earned leave are recognized when they accrue to the employees. An employee who has a right to accumulate and carry forward his leave to a future period can either avail these leaves in future or en-cash, as per the company's leave encashment policy.

n. Taxes on Income

Tax expense comprises both current and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with tax rate specified under Section 115BAA of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) credit is recognized 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. 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 Company will pay normal Income Tax during the specified period.

o. Provisions and Contingent Liabilities

a. Provisions

A Provision is recognized, if as a result of past event the company has a present obligation that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the Obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

b. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company has provided requisite disclosure related to contingent liabilities in its restated financial statements.

p. Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, INR Value of Foreign Currency in hand, fixed deposits with banks, which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

q. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on available information.

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31.03.2020 ₹	As at 31.03.2019 ₹		
Note 2 : Share Capital				
Authorized Share Capital				
50,00,000 (P/Y 50,00,000) Equity Shares of Rs.10/-(P/Y Rs. 10/-) each	5,00,00,000	5,00,00,000		
Issued, Subscribed & Fully paid up				
32,54,000 (P/Y 32,54,000) Equity Shares of Rs. 10/- (P/Y Rs. 10/-) each	3,25,40,000	3,25,40,000		
Total	3,25,40,000	3,25,40,000		
A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.				
Equity Shares	31.03.2020		31.03.2019	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the period	32,54,000	3,25,40,000	23,70,000	2,37,00,000
Adjustment due to reduction in share price				
Add: Bonus shares issued during the period				
Add: Shares issued during the period			8,84,000	88,40,000
Outstanding at the end of the period	32,54,000	3,25,40,000	32,54,000	3,25,40,000

During the year 2018-19, the company came out with a Initial Public Offer (IPO) of 8,84,000 equity shares of ₹ 10/- per share with premium of ₹ 41/- per share which was opened on July 12, 2018 to July 18, 2018 and the shares has been allotted on July 24, 2018. The IPO was a success and shares have been listed on SME platform of NSE and the IPO proceeds has been utilized as per the object clause given in Prospectus.

B. Aggregate number and class of shares allotted as fully paid up by way of Bonus Shares

Class of Shares	2019-20	2018-19	2017-18	2016-17	2015-16
Fully paid as Bonus equity shares	-	-	7,90,000	-	-

C. Terms/ Right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. When the company declares and pays interim and final dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES TO FINANCIAL STATEMENTS

D. Details of shareholders holding more than 5% shares in the Company:

Name of the Shareholder	31.03.2020		31.03.2019	
	No. of Shares	% held	No. of Shares	% held
Sushil Kumar Aggarwal	7,80,000	23.97%	7,80,000	23.97%
Anita Aggarwal	6,90,000	21.20%	6,90,000	21.20%
Sahil Aggarwal	4,50,000	13.83%	4,50,000	13.83%

As per records of the company, including its Register of Shareholders/Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares except below mentioned cases -

Name of the Significant Beneficial Owner	Name of the Registered Owner	Date of Declaration	31.03.2020	
			No. of Shares	% held
Sushil Kumar Aggarwal	Sushil Kumar Aggarwal HUF	10.04.2019	75,000	2.30%
Sahil Aggarwal	Sahil Aggarwal HUF	10.04.2019	75,000	2.30%

Particulars	As at 31.03.2020 ₹	As at 31.03.2019 ₹
Note 3 : Reserves and surplus		
a) Securities Premium		
Opening Balance	3,62,44,000	
Less : Amount capitalized for Bonus share issued		
Add : Addition during the year on issue of shares		3,62,44,000
Closing balance	3,62,44,000	3,62,44,000
b) Revaluation Reserve		
Opening balance*	3,23,22,487	3,23,22,487
Add: Addition during the year		
Closing Balance	3,23,22,487	3,23,22,487
c) Surplus in the Profit & Loss statement		
Opening Balance	2,03,12,676	1,17,72,279
Add: Net profit for the current year	1,13,54,307	85,40,397
Less : Amount capitalized for Bonus share issued		
Add: Adjustment for earlier years		
Closing Balance	3,16,66,983	2,03,12,676
Total	10,02,33,470	8,88,79,163

* Revaluation Reserve was created on the revaluation of Land in FY 2017-18 based on Chartered Engineer Report dated 18th July, 2018.

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31.03.2020 ₹	As at 31.03.2019 ₹
Note 4 : Long -Term Borrowings*		
Term Loans		
(a) Secured		
HDFC Bank	-	4,58,311
IDFC Bank	25,00,898	39,47,759
Kotak Mahindra Bank	-	7,06,271
ICICI Bank	88,73,562	84,77,503
(b) Unsecured	-	-
Total	1,13,74,460	1,35,89,844
Amount disclosed under the head "Other Current liabilities" (refer note 9)	(14,29,116)	(33,65,048)
Net amount	99,45,344	1,02,24,796

* There is no default in repayment of Principal Borrowings and Interest.

4.1 Principal terms of Term Loans are:

- Principal and interest are payable on monthly installment basis.
- Details regarding Nature of Securities and Rate of interest of term loans are given in Note No.4.2.
- The Company does not have any long term borrowings from promoters/group companies/subsidiaries/ associate companies/related parties as per Accounting Standard-18.

4.2 Details regarding nature of securities and rate of interest

Particular	As at 31.03.2020		As at 31.03.2019	
	Outstanding Amount	Interest rate	Outstanding Amount	Interest rate
HDFC, Noida (Secured against Hyundai Creta car)	-		4,58,311	9.25%
IDFC Bank, Sector-18, Noida (U.P.) (Secured against-Hypothecation of Fixed Asset)*	25,00,898	10.15%	39,47,759	9.70%
Kotak Mahindra Prime Ltd.(Secured against-Honda City Car)	-		7,06,271	8.30%
ICICI Bank-Sec-50,Noida,U.P (Secured against House property of Whole Time Director Mr. Sushil Kumar Aggarwal)*	73,86,799	9.05%	84,77,503	8.60%
ICICI Bank-Sec-50,Noida,U.P (Secured against MG Hector Car)	14,86,763	9.11%	-	-
Total	1,13,74,460		1,35,89,844	

* Loan have been personally guaranteed by Directors - Sushil Kumar Aggarwal, Anita Aggarwal and Sahil Aggarwal

- Loan from HDFC Bank and Kotak Mahindra Bank secured against vehicle are fully repaid as on 31st March 2020. Due to Covid-19 lockdown, closure certificate and NOC from bank for removal of Hypothecation from Vehicle Registration Certificate (RC) are yet to receive as on the date of signing of Financial Statements.
- The applicants for loan taken from ICICI bank are Sushil Kumar Aggarwal & Anita Aggarwal & Sahil Aggarwal & Avro India Limited (formerly known as Avon Moldplast Limited).
- Charge has been appropriately created on Car against Loan from ICICI Bank.

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31.03.2020 ₹	As at 31.03.2019 ₹
Note 5 : Deferred Tax (Assets)/Liabilities (net)		
Opening balance	10,12,045	(8,020)
Deferred tax (assets)/liabilities for the year	(10,76,309)	10,20,065
Adjustment for earlier years		
Total	(64,264)	10,12,045

Note 6 : Long Term Provisions		
Provision for employee benefits	5,81,529	5,83,892
Total	5,81,529	5,83,892

Note 7 : Short-Term Borrowings		
Secured		
Working capital loan from IDFC bank	1,46,54,967	2,06,54,410
Unsecured		
Loans and advances from related parties	-	-
Total	1,46,54,967	2,06,54,410

7.1 Working capital loan from IDFC bank is secured by way of hypothecation over entire current assets including inventories & receivables & movable Fixed Assets. As on 31st March 2020, rate of interest is charged @ Repo Rate+5% per annum (P/Y@ MCLR+0.95%) on the current borrowings from IDFC bank.

Note 8 : Trade Payables		
Micro and small enterprises	95,62,608	1,09,20,098
Other Trade Payables	1,81,05,349	2,26,26,970
Total	2,76,67,957	3,35,47,068

NOTES TO FINANCIAL STATEMENTS

The information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act (MSMED Act), 2006 has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. Disclosure in respect of interest due on delayed payment has been determined only in respect of payments made after the receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosure under section 22 of the Act, is as under -

Particulars	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
a) Principal amount due at the year end	95,62,608	1,09,20,098
b) Interest due on the principal amount unpaid at the year end	-	-
c) Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed year during the accounting year	-	-
d) Amount of interest due and payable for the period of delay in making payment which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	2,27,026
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note 9 : Other Current Liabilities			
Current maturities of long term borrowings	(Refer Note 4)	14,29,116	33,65,048
Interest Accrued but not due on Borrowings		69,699	-
Advances from Customers		29,14,015	24,39,360
Audit Fees payable		1,80,000	1,93,500
Statutory dues		3,39,128	10,88,398
Expenses payable		60,726	3,60,402
Salary, wages and bonus payable		10,89,065	7,12,785
Electricity Charges Payable		11,21,518	9,04,989
Total		72,03,267	90,64,482

Note 10 : Short-term Provisions			
Provision for income tax		37,26,436	40,61,383
Provision for employee benefits		31,087	24,194
Total		37,57,523	40,85,577

NOTES TO FINANCIAL STATEMENTS

Note 11: Property, Plant & Equipment										
Particulars	Tangible Assets						Intangible Assets		Total	
	Leasehold Land	Building	Plant & Equipment	Moulds	Computers	Vehicles	Furniture & Fixture	Sub-Total		Software
Gross Block										
As at 31 March, 2019	3,41,12,880	37,83,777	4,68,89,254	5,14,80,761	8,60,224	45,13,268	3,12,252	14,19,52,416	-	-
Additions/Revaluation during the year			5,53,863	1,43,32,051	1,12,055	18,95,768	25,840	1,69,19,577	21,325	21,325
Adjustments/Deletions during the year	-	-	(34,77,757)	(67,23,137)	(1,22,967)	-	(19,089)	(1,03,42,950)	48,306	48,306
As at 31 March, 2020 (A)	3,41,12,880	37,83,777	4,39,65,360	5,90,89,675	8,49,312	64,09,036	3,19,003	14,85,29,043	69,631	14,85,98,674
Depreciation										
As at 31 March, 2019	-	26,37,397	3,24,51,480	1,98,45,370	6,42,712	27,88,594	1,35,385	5,85,00,938	-	-
During the year	-	1,07,943	24,43,787	1,10,26,505	1,44,419	7,57,850	49,502	1,45,30,006	8,277	8,277
Adjustments/Deletions during the year	-	-	(21,77,388)	(36,35,939)	(93,337)	-	(17,112)	(59,23,776)	26,498	26,498
As at 31 March, 2020 (B)	-	27,45,340	3,27,17,879	2,72,35,936	6,93,794	35,46,444	1,67,775	6,71,07,168	34,775	34,775
Net Block										
31 March 2020	3,41,12,880	10,38,437	1,12,47,481	3,18,53,739	1,55,518	28,62,592	1,51,228	8,14,21,875	34,856	8,14,56,731
31 March 2019	3,41,12,880	11,46,380	1,44,37,775	3,16,35,391	2,17,512	17,24,674	1,76,867	8,34,51,479	-	-

11.1 Leasehold Land in Balance Sheet is taken on Lease from UPSIDA for the period of 99 Years which is registered under the old name of the company "Avon Moldplast Private Limited". The Management of the company has applied with UPSIDA for the change in name to Avro India Limited on 20/02/2020. Leasehold Land has been revalued by the amount of ₹ 3,23,22,487 based on Chartered Engineer Report in FY 2017-18.

11.2 As at 31st March 2020, 14 moulds having closing WDV of ₹ 169 lacs are located at related party of the company Bonita Furniture Pvt. Ltd.

11.3 Three (3) Motor Vehicles having closing WDV of ₹ 27 Lacs are hypothecated with the bank. For further information, please refer to Note 4.2 In Notes to Financial Statements.

11.4 Loan taken for cars purchased in earlier years are fully repaid as on 31st March 2020. However, due to Covid-19 lockdown, closure certificate and NOC from bank for removal of Hypothecation from Vehicle Registration Certificate (RC) are yet to receive as on the date of signing of Financial Statements.

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
Note 12: Other Non - Current Assets		
Prepaid Expenses	10,417	-
Total	10,417	-

Note 13: Current Investments		
Investments in mutual funds (Quoted) (Valued at lower of cost or net realisable value)		
Kotak equity saving fund	4,12,941	10,00,000
Kotak Low Duration Fund	18,00,000	4,28,555
Aditya Birla Low Duration Fund	15,00,000	-
Total	37,12,941	14,28,555

Details of Investment in Mutual Fund as on 31st March 2020

(Previous year figures are in Bracket)

Name of Mutual Fund	Cost of Investment	No of Units	NAV	Market Value	Valuation as per AS-13	Provision for Diminution in Value
Aditya Birla Low Duration Fund F.No. 1038312989	15,00,000 (0)	3,147.524 (0)	483.6875 (0)	15,22,418 (0)	15,00,000 (0)	- (0)
Kotak Equity Savings Fund F.No. 5723049/47	4,47,595 (10,00,000)	30,911.057 (71,671.437)	13.3590 (14.1961)	4,12,941 (10,17,455)	4,12,941 (10,00,000)	34,654 (0)
Kotak Low Duration Fund F.No. 5723049/47	18,00,000 (4,28,555)	743.476 (191.808)	2,464.3644 (2,286.4203)	18,32,196 (4,38,554)	18,00,000 (4,28,555)	- (0)
Total (FY 2019-20)	37,47,595			37,67,555	37,12,941	34,654
Total (FY 2018-19)	(14,28,555)			(14,56,009)	(14,28,555)	(0)

Note 14 : Inventories		
(As taken, valued & certified by the management)		
Raw material	39,91,294	73,99,065
Stores, spares and packing materials	15,15,334	20,80,372
Machinery Spares (Life less than 1 Year)	13,89,457	-
Finished goods	75,39,414	38,47,044
Total	1,44,35,499	1,33,26,481

Note 15: Trade Receivables		
(Unsecured, considered good)		
Outstanding for a period exceeding six months	64,33,368	35,06,845
Others	7,47,34,544	7,82,02,291
Total	8,11,67,913	8,17,09,136

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31 March, 2020 ₹	As at 31 March, 2019 ₹
Note 16: Cash and Cash equivalents		
Cash on hand	1,25,533	2,01,984
INR value of foreign currency in hand (Valued USD 1630 @ RBI Closing Rate of 75.39)	1,22,886	2,17,357
Balances with banks:		
-In Current Accounts	17,31,962	26,90,485
-Fixed Deposit (including interest accrued)	-	20,11,390
Total	19,80,381	51,21,216

Note 17: Other Current Assets		
Advance income tax	39,00,000	40,00,000
Deposit against GST Survey	20,00,000	20,00,000
Deposit with UPSEB	27,40,400	36,56,382
Security Deposit	13,53,664	4,00,000
Insurance claim recoverable	27,41,727	27,41,727
Prepaid expenses	5,38,475	71,766
Prepaid insurance	3,55,983	2,07,122
Advance to suppliers	27,828	18,98,490
Other Advances	12,500	20,000
GST input balance	-	44
Security deposit (1% issue size at NSE)	-	4,50,840
Deposit against Entry Tax (2010-11)	-	3,750
Deposit against UP VAT (2012-13)	-	14,062
TDS & TCS	73,802	90,383
Income Tax Refundable A.Y 2019-20	11,532	-
Total	1,37,55,911	1,55,54,566

NOTES TO FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2020 ₹	For the year ended 31 March, 2019 ₹
Note 18: Revenue from Operations		
Sale of products	42,86,64,326	45,30,88,360
Other operating revenues		
Sale of granules	1,06,40,974	3,69,72,951
Job Work	3,87,686	-
Sale of scrap /packing material	9,67,651	5,79,658
Total	44,06,60,637	49,06,40,969

Note 19: Other Income		
Interest on fixed deposits	1,74,439	6,19,815
Miscellaneous income	12,62,464	3,95,151
Profit on sale of tangible assets	4,75,826	9,24,879
Gain on redemption of mutual fund	49,924	29,164
Discount Received	4,80,809	4,59,427
Rental Income	16,38,000	14,60,000
Total	40,81,462	38,88,436

Note 20: Cost of Material Consumed		
Raw material consumed		
Opening stock of raw material	94,79,437	44,13,767
Add : Purchases	15,00,16,112	22,22,19,108
Less : Closing stock of raw material	68,96,085	94,79,437
Total	15,25,99,464	21,71,53,438

Note 21: Changes in Inventories of Finished Goods		
Inventories at the beginning of the year	38,47,044	1,12,31,460
Inventories at the end of the year	75,39,414	38,47,044
Total	(36,92,370)	73,84,416

Note 22: Employee benefits expense		
Salaries, wages & bonus	77,52,149	79,28,387
Director's remuneration*	29,50,000	44,00,000
Contribution to provident and other funds	3,96,538	3,90,734
Gratuity	4,530	1,46,860
Staff welfare expense	2,922	33,746
Total	1,11,06,139	1,28,99,727

* During the FY 2018-19, Mr Sahil Aggarwal (Managing Director) has withdrawn remuneration in excess of the remuneration approved by Shareholders for the amount of ₹ 2,00,000 (₹ 50000 p.m. from Dec-18 till Mar-19). The same amount is recovered in Financial Year 2019-20 to ensure compliance of Section 197(9) of the Companies Act 2013. In above note, Director's remuneration is calculated after adjusting the amount recovered from Mr. Sahil Aggarwal.

NOTES TO FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2020 ₹	For the year ended 31 March, 2019 ₹
Note 23: Finance Costs		
Interest on Borrowings	30,24,198	26,20,805
Interest others	-	-
Bank charges	78,140	51,167
Exchange fluctuation (gain)/loss	(1,67,607)	(8,24,224)
Total	29,34,731	18,47,748

Note 24: Other Expenses		
Manufacturing expenses		
Freight Inward	19,81,310	25,58,593
Power & fuel	1,25,49,970	1,40,89,555
Repair & maintenance- plant & machinery	13,44,825	23,58,550
Job work charges	4,08,091	26,65,402
	1,62,84,196	2,16,72,100
Selling and Distribution Expenses		
Business promotion	19,53,038	30,60,981
Freight outward	11,00,250	29,51,790
Royalty to use brand name	3,72,066	14,34,207
Rebate & discount	13,17,028	37,02,490
Rent (Depot)	3,19,000	13,68,150
E-Commerce Expense	40,65,366	-
Advertisement expenses	22,22,886	35,14,223
	1,13,49,634	1,60,31,841
Other Expenses		
Legal & professional charges	11,25,179	19,96,866
Balance Writeoff	11,56,487	55,271
Audit Fees	4,00,000	3,10,000
Insurance	3,31,009	2,25,402
Travelling & conveyance	2,14,539	12,36,681
Foreign travelling Expenses	1,05,616	1,52,625
Security guard expenses	1,84,000	3,67,741
Fees, subscription & others	1,57,739	2,49,480
Diwali expenses	1,34,061	-
Fire fighting and safety expenses	20,420	43,570
House tax /municipal tax	45,920	45,920
Directors sitting fees	56,000	24,000
Pollution fees	7,852	55,000
Miscellaneous expenses	76,411	1,45,523

NOTES TO FINANCIAL STATEMENTS

Particulars	For the year ended 31 March, 2020 ₹	For the year ended 31 March, 2019 ₹
Telephone expenses	32,537	64,461
Printing & stationery	42,370	5,23,315
Postal & courier charges	6,985	12,923
Interest on income tax and TDS	20,357	1,55,735
Penalty on Late Payment of Custom Duty	275	-
Repair & maintenance-building	15,175	2,42,221
Repair & maintenance others	17,514	75,586
Recruitment & placement expenses	28,716	2,81,814
Donation expenses	-	1,20,000
CST paid for C form not received	21,708	9,496
Fuel expenses Car	60,063	45,110
Rates & taxes	900	1,000
Software / License Renewal Charges	92,969	2,42,730
Statutory liabilities	82,430	4,30,679
Brokerage charges	-	34,000
Adjustment to the Carrying Value of Investment	34,654	-
STT on Capital Gain on Investment	69	-
Interest paid-miscellaneous	-	2,27,026
	44,71,955	73,74,175
Total	3,21,05,785	4,50,78,116

NOTES TO FINANCIAL STATEMENTS

Note 25: Notes to Accounts

1. Contingent Liabilities

(Amount in ₹)

Particulars	As at 31 March, 2020	As at 31 March, 2019
Corporate Guarantees given to M/s. Bonita Furniture Pvt. Ltd.	Nil	4,14,35,000
Claim against the Company not acknowledged as debt.		
a) Goods and Service Tax matter*	20,00,000	Nil
b) MCA matter**	6,00,000	

* For further details, please refer to point no. 4c in Notes to Accounts.

** For further details, please refer to point no. 8 in Notes to Accounts.

2. Capital Commitment (net of advances) ₹ Nil (Previous year ₹ 42,68,972.50)
3. According to Rule-4 of the Companies (Indian Accounting Standard) (Amendment) Rule, 2016 all the listed companies have to prepare financial statement on Ind AS basis. This company is listed on SME platform of NSE. Therefore, financial statement has not been prepared on the basis of Ind AS.
4.
 - a) During the financial year 2019-20, UPVAT assessment has been completed for the Assessment Year 2016-17 and demand liability amounting to ₹ 26,356 has been paid by the company along with the interest of ₹ 10,872. Also, Department has received notice on 15th July, 2019 for the purpose of Audit for the quarter ending 30th June 2017.
 - b) During the financial year 2019-20, Excise and Service Tax audit has been completed upto 30th June 2017 and demand amounting to ₹ 24,894 along with interest of ₹ 10,533 and Penalty of ₹ 3,734 has been paid by the company.
 - c) An enquiry is being conducted by superintendent, Central Intelligent Unit (CIU) under the provisions of Central Goods and Service Tax Act, 2017 and rules made applicable vide section 174 of Central Goods and Service Tax Act, 2017 on the erstwhile Central Excise and Service Tax matters. For this purpose, Inspection has been conducted at factory, registered office and godown in Ghaziabad by officers of Central Intelligence Unit, Central Goods and Service Tax Department, Meerut Zone on March 28, 2018. Enquiries are in progress at various stages, liability if any arising out of this enquiry will be provided on the final assessment. However, on the basis of legal opinion, management foresees some liability in this case. In the meanwhile, company has deposited ₹ 20,00,000/- on 03.04.2018 and 14.08.2018 in the minor head in others column.
5. Prayag Polytech Private Limited filed an application under Insolvency and Bankruptcy code of ₹ 9,21,287 along with interest for the supplies of raw material in the year 2017 to NCLT Allahabad bench dated 16.08.2019. Avro India Limited (formerly known as Avon Moldplast Limited) have a counterclaim letter dated 11.08.2017 for sending inferior quality of raw material which was duly authenticated by M/s. Prayag Polytech Pvt Ltd. The matter was gone over various trials but the matter is still pending in NCLT Allahabad bench and no decree or order given by Hon'ble NCLT yet. The matter was listed for final arguments on March 20, 2020 but the same has been adjourned due to ongoing COVID-19 Pandemic.
6. Company has filed a criminal complaint at Ghaziabad court on 30/05/2019 against M/s. Durga Enterprises (which was earlier the distributor of the company) for sending false messages to plastic industry and various other distributors across India in all sorts of networks.
7. The Company has filed an application to Registrar of Companies, Kanpur under section 460 of the Companies Act, 2013 in pursuance to the non-filing of e-form MGT -14 with reference to the resolution passed under section 185 read with rules made thereunder and other applicable provisions of the Companies Act 2013. Approval of application has been intimated to Company via E-mail dated 28th April, 2020 but company has not received any order copy yet.
8. Company filed an application suo-motto on 12/02/2019 under section 460 of the Companies Act, 2013 with reference to non-compliance of certain provisions of Section 96 of the Companies Act 2013 and Section 166 of

NOTES TO FINANCIAL STATEMENTS

Companies Act, 1956 of conducting Annual General Meeting at some other place within the same city, town, village in which the registered office of the Company is situated. However, the Company has conducted its AGM's at some other place, being a place situated outside the city, town, village in which the registered office of the Company was situated. The status of form is still pending as on date. However, the maximum penalty that can be imposed by adjudicating authority on company amounts to ₹ 6,00,000/-. The company has recorded the same under contingent liability.

9. Security Deposit held with the parties for Patna depot of ₹ 2.25 lakhs lying in the books of accounts has not refunded even after the termination of Rent Agreement dated 27th February 2019. The company has issued legal notice on 7th March 2019 for the recovery of the said amount. Now company will take this matter before the court of competent jurisdiction at Patna for recovery of aforesaid dues.
10. The company has got the perpetual leasehold land revalued by independent professional valuers. Accordingly, the leasehold land has been revalued and revaluation reserve has been created by ₹ 3,23,22,487/- in the financial year 2017-18.
11. Some of balances of trade payables and trade receivables appearing in the balance sheet are subject to balance confirmation/ reconciliation at the year end. The management is in the process to get confirmation of balance from the parties; therefore, the reconciliation of these balances is not updated. However, the reconciliation of these balances is not expected to result in any material adjustments in the stated balances. Furtherance, the management has sent legal notice to some of the trade receivables.
12. Provision for taxation is ascertained on the basis of assessable profits computed in accordance with provision of the Income Tax Act, 1961 multiplied by the rate specified under section 115BAA of the Income Tax Act, 1961.
13. **Employee Benefits**

As per Accounting Standard-15 (Revised) 'Employee Benefits' and the required disclosure are given hereunder.

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as an expense for the year is as under.

Employer's contribution to Provident Fund and Employees State Insurance ₹ 3,96,538/- (Previous year ₹ 3,90,734/-).

Defined Benefit Plan

The employee's gratuity fund scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. During the year, long term employee benefit has been measured by actuarial and AS-15 has been applied for employee benefits.

Reconciliation of defined benefit obligation

Particulars	Gratuity ₹	
	31 March, 2020	31 March, 2019
Obligation at the beginning of the year	6,08,086	4,72,750
Current Service Cost	2,47,785	2,10,017
Interest Cost	45,891	35,490
Loss/(Gain) on Curtailment	Nil	Nil
Liabilities extinguished on settlements	Nil	Nil
Liabilities assumed in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Actuarial Loss/(Gain)	(2,89,146)	(1,10,171)
Past service cost	Nil	Nil
Benefits paid	Nil	Nil
Closing Defined Benefit Obligation	6,12,616	6,08,086

NOTES TO FINANCIAL STATEMENTS

Reconciliation of Plan Assets

Particulars	Gratuity ₹	
	31 March, 2020	31 March, 2019
Plan asset as at the beginning of the year	Nil	Nil
Expected return on plan assets	Nil	Nil
Actuarial Gains/(Losses)	Nil	Nil
Assets distributed on settlements	Nil	Nil
Contributions by employer	Nil	Nil
Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits Paid	Nil	Nil
Closing value of plan assets	Nil	Nil

Reconciliation of net defined benefit liabilities:

Particulars	Gratuity ₹	
	31 March, 2020	31 March, 2019
Net opening provision in books of accounts	6,08,086	4,61,226
Transfer in/(out) obligation	Nil	Nil
Transfer (in)/out plan assets	Nil	Nil
Charge to P&L	4,530	1,46,860
Benefits paid by the Company	Nil	Nil
Contributions to plan assets	Nil	Nil
Closing provision in books of accounts	6,12,616	6,08,086

Funded status of the plan:

Particulars	Gratuity ₹	
	31 March, 2020	31 March, 2019
Present value of unfunded obligations	6,12,616	6,08,086
Present value of funded obligations	Nil	Nil
Fair value of plan assets	Nil	Nil
Unrecognized past service cost	Nil	Nil
Net Liability (Asset)	6,12,616	6,08,086

NOTES TO FINANCIAL STATEMENTS

Profit and loss account for the year ended:

Particulars	Gratuity ₹	
	Year ended 31 March, 2020	Year ended 31 March, 2019
Current service cost	2,47,785	2,10,017
Interest on obligation	45,891	35,490
Expected return on plan assets	Nil	Nil
Net Actuarial Losses/ (Gains)	(2,89,146)	(1,10,171)
Recognized past service cost-vested	Nil	Nil
Recognized past service cost-unvested	Nil	11524
Total included in 'Employee Benefit Expense'	4,530	1,46,860
Prior year charge	Nil	Nil
Total Charge to P&L	4,530	1,46,860

Principle actuarial assumptions:

Particulars	Gratuity	
	31 March, 2020	31 March, 2019
Discount Rate	6.85%	7.70%
Expected Return on Plan Assets	N/A	N/A
Salary Growth Rate	5%	10%
Retirement Age	60 years	60 years
Withdrawal Rates	10% at younger ages reducing to 2% at older ages	10% at younger ages reducing to 2% at older ages

Composition of the plan assets:

Particulars	Gratuity	
	31 March, 2020	31 March, 2019
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Policy of insurance	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Bank Balance	0%	0%
Others Investment	0%	0%
Total	0%	0%

NOTES TO FINANCIAL STATEMENTS

Table of experience adjustments:

Particulars	Gratuity ₹	
	31 March, 2020	31 March, 2019
Defined Benefit Obligation	6,12,616	6,08,086
Plan Assets	Nil	Nil
Surplus/(Deficit)	(6,12,616)	(6,08,086)
Experience adjustment on plan liabilities	47,085	(1,06,300)
Actuarial loss/(gain) due to change in financial assumptions	(3,36,464)	(3,871)
Actuarial loss/(gain) due to change in demographic assumptions	233	Nil
Experience adjustments on plan assets	Nil	Nil
Net actuarial loss/ (gain) for the year	(2,89,146)	(1,10,171)

14. Provisions (Accounting Standard-29)

(Amount in ₹)

Particulars	Balance as on 31 March, 2019	Utilize/adjustment during the year	Provision made during the year	Balance as on 31 March, 2020
Provision for Income Tax	40,61,383	40,61,383	37,26,436	37,26,436
Provision for Employee Benefits	7,80,185	1,72,099	3,67,886	9,65,972

15. Segment Reporting

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard-17 Segment Reporting.

16. Accounting for Taxes on Income

Deferred Tax liability/asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year is reported as under.

(Amount in ₹)

Item of Deferred Tax	31 March, 2020	31 March, 2019
Deferred Tax assets		
Related to tangible assets	Nil	Nil
Related to carry forward loss and unabsorbed depreciation	Nil	Nil
Related to employee benefits	1,54,183	88,734
Related to Adjustment in Carrying value of Current Investment for compliance of AS-13	8,722	Nil
Total (a)	1,62,905	88,734
Deferred Tax Liability		
Related to tangible assets	98,641	11,00,779
Total (b)	Nil	11,00,779
Net Deferred Tax Liability/(Assets)	(64,264)	10,12,045

NOTES TO FINANCIAL STATEMENTS

Movement of Deferred Tax

(Amount in ₹)

Particulars	Opening as at 1 April, 2019	Deferred tax charged/credited during the year	Closing balance as at 31 March, 2020
Deferred Tax Liabilities/(Assets)	10,12,045	(10,76,309)	(64,264)

17. Remuneration to Auditors

(Amount in ₹)

Particulars	31 March, 2020	31 March, 2019
Statutory audit fees*	1,75,000	1,75,000
Tax audit fees*	75,000	75,000
Other Matters		
- Limited Review Fees	60,000	60,000
- Certification Fees	25,000	0

* Excluding Goods & Services Tax

18. Licensed & Installed Capacity

Class of Goods	31 March, 2020		31 March, 2019	
	Licensed Capacity*	Installed Capacity*	Licensed capacity*	Installed Capacity*
	Nos.	Nos.	Nos.	Nos.
Plastic Molded Furniture	N.A.	N.A.	N.A.	N.A.

N.A. denotes not available

Nos. denotes number

*Licensed and Installed capacity certified by the management.

19. Plastic Molded Furniture

Year	Qty	Opening Stock	Purchases /sales return	Produced /Job work	Trans. to other FG head	Sold	Closing Stock
31 March, 2020	Pcs	31,925	11,84,642	10,97,810	1,23,143	21,40,532	50,702
31 March, 2019	Pcs	40,659	7,79,963	12,60,021	Nil	20,48,718	31,925

20. Granules / Scrap / - Purchased/ Consumed for Production

Year	Qty.	Opening Stock	Purchases / Produced	Consumed/ Sold	Closing Stock
31 March, 2020	MT	125.217	2533.056	2583.436	74.837
31 March, 2019	MT	81.238	3,295.044	3,251.065	125.217

MT denotes metric tonne

NOTES TO FINANCIAL STATEMENTS

21. Granules/ Scrap/ Filler / Master Batch - Purchased for trading

Year	Qty.	Opening Stock	Purchase	Sold	Closing Stock
31 March, 2020	MT	Nil	223.052	223.052	Nil
31 March, 2019	MT	Nil	531.934	531.934	Nil

22. (a) Value of Raw Material, Stores & Spares Consumed

Year	Class of Goods				
		Raw Material		Stores & Spares	
		Imported	Indigenous	Imported	Indigenous
31 March, 2020	Value (₹)	Nil	14,62,52,726	4,63,152	58,83,585
	% of Total	Nil	100%	7%	93%
31 March, 2019	Value (₹)	Nil	17,58,66,848	Nil	96,08,866
	% of Total	Nil	100%	Nil	100%

(b) Value of imports calculated on CIF basis in respect of:

Particulars	31 March, 2020	31 March, 2019
Raw materials	Nil	Nil
Stores & Spare Parts	16,34,171	17,34,492
Capital Goods (Moulds)	1,24,42,140	1,77,14,500

23. Earnings in Foreign Exchange

Particulars	31 March, 2020	31 March, 2019
F.O.B. value of sales	Nil	Nil
Reimbursements of expenditure	Nil	Nil

24. Expenditure in Foreign Exchange

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Foreign traveling	1,05,616	1,52,625
Import of Stores & Spare Parts	16,34,171	17,34,492
Import of Capital Goods (Moulds)	1,24,42,140	1,77,14,500

NOTES TO FINANCIAL STATEMENTS

25. Earnings per share

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Net Profit after tax (₹)	1,13,54,307	85,40,397
Weighted average number of Equity shares outstanding during the year (including Bonus shares)	32,54,000	32,54,000
Basic earnings per share (₹)	3.49	2.62
Diluted earnings per share (₹)	3.49	2.62
Face value per Equity Share (₹)	10	10

26. Related Party Disclosure

Related party transactions are reported as per Accounting Standard-18 of Companies (Accounts) Rules, 2014, as amended, are given below:

(a) List of related parties & relationships, where control exists

S. No.	Nature of Relationship	Name of Parties
1	Holding Company	Nil
2	Subsidiary Company	Nil
3	Associates	Nil
4	Key Management Personnel	Sh. Sushil Kumar Aggarwal, Chairman & Whole Time Director Sh. Sahil Aggarwal, Managing Director Sh. Ghanshyam Singh, Chief Financial Officer Sh. Shikhar Agarwal, Company Secretary
5	Relatives of Key Management Personnel	Smt. Anita Aggarwal
6	Enterprises where Significant influence exist	M/s. Bonita Furniture Pvt. Ltd. M/s. Bucks Infotainment Pvt. Ltd.

(b) Transactions with Related Parties

(Amount in ₹)

S. No.	Transactions	Holding Company	Subsidiary Company	Associates	Key Management Personnel / Individuals	Relatives of Key Management Personnel	Enterprises where Significant Influence exist by Key Management Personnel
1	Remuneration/ Salary	Nil (Nil)	Nil (Nil)	Nil (Nil)	38,43,276* (51,70,658)	Nil (Nil)	Nil (Nil)
2	Sitting Fees	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	11,000 (6,000)	Nil (Nil)
3	Purchase of Furniture	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	26,19,64,397 (20,83,94,726)
4	Loan Taken	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (23,70,806)	Nil (Nil)	Nil (Nil)
5	Purchase of Capital Items	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

NOTES TO FINANCIAL STATEMENTS

6	Sale of Capital Item	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	5,31,000 (Nil)
7	Repayment of Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (69,13,875)	Nil (Nil)	Nil (Nil)
8	Job Work Charges	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (27,435)
9	Rent of Molds	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	19,23,400 (17,22,800)
10	Rent paid for Warehouse	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	1,71,100 (Nil)
11	Rental Income	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	9,440 (Nil)
12	Sales	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	2,28,37,702 (3,61,10,410)
13	Outstanding as on 31.03.2020						
a.	Amount Receivable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
b.	Amount Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	60,603 (66,300)	Nil (Nil)	51,39,312 (35,73,318)
c.	Guarantee given	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (4,14,35,000)

* During the FY 2018-19, Mr Sahil Aggarwal (Managing Director) has withdrawn remuneration in excess of the remuneration approved by Shareholders for the amount of ₹ 2,00,000 (₹ 50000 p.m. from Dec-18 till Mar-19). The same amount is recovered in Financial Year 2019-20 to ensure compliance of Section 197(9) of the Companies Act 2013. In above note, Director's remuneration is calculated after adjusting the amount recovered from Mr. Sahil Aggarwal.

Note:

- Figures in bracket represent previous year amounts.
- No amount has been written off/provided for or written back during the year in respect of amount receivable from or payable to the related parties.

27. Previous year figures have been regrouped /rearranged/recasted wherever considered necessary.

As per our report of even date attached

For Sushil Lal & Associates
Chartered Accountants
FRN-021758N

Sd/-
Rajib Kumar Karn
Partner
M. No. 304483

Place: Ghaziabad
Date: 29 June, 2020

For and on behalf of the Board of Directors of
Avro India Limited

Sd/-
Sushil Kumar Aggarwal
Chairman
DIN-00248707

Sd/-
Ghanshyam Singh
Chief Financial Officer
PAN-CWCPS4843P

Sd/-
Sahil Aggarwal
Managing Director
DIN-02515025

Sd/-
Shikhar Aggarwal
Company Secretary
PAN-BDUPA5568F

PROXY FORM

Form No. MGT-11

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

CIN L25200UP1996PLC101013
Name of the Company **AVRO INDIA LIMITED**
(Formerly known as Avon Moldplast Limited)
Registered Office A-7/36-39, SOUTH OF G.T. ROAD INDUSTRIAL AREA ELECTROSTEEL CASTING COMPOUND GHAZIABAD – 201009

Name of the Member(s)	
Registered address	
E-mail I. d.	
Folio no./Client Id*	
DP ID	

I/We, being the member(s) of **AVRO INDIA LIMITED** holding _____ shares hereby appoint:

- Name..... Address
..... E-mail Id. Signature or failing him
- Name..... Address
..... E-mail Id. Signature or failing him
- Name..... Address
..... E-mail Id. Signature

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the **24th Annual General Meeting** of the company, to be held on **Monday, September 21, 2020 at 10:00 A.M.** at the Registered Office of the company at **A-7/36-39, South of G.T. Road Industrial Area, Electrosteel Casting Compound, Ghaziabad –201009** and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution	For	Against
ORDINARY BUSINESS(ES):			
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 st March, 2020 together with the Reports of Board of Directors and Auditors thereon.		
2.	To appoint Mr. Sushil Kumar Aggarwal (DIN: 00248707), Whole-Time Director, who retires by rotation and being eligible offers himself for re-appointment.		
SPECIAL BUSINESS(ES):			
3.	To Approve the Material Related Party Transactions with Bonita Furniture Private Limited.		

Signed this _____ day of _____ 2020.

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp of
Rs. 1/-

Notes:

- This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
 - For the resolutions, statement setting out material facts, notes and instructions please refer to the notice of Annual General Meeting.
 - Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
 - In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- Please complete all details including details of member(s) and proxy(ies) in the above box before submission.

Form No. MGT-12

(Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014)

BALLOT PAPER

24th Annual General Meeting of the members of Avro India Limited (Formerly known as Avon Moldplast Limited) to be held on Monday, 21st day of September 2020 at 10:00A.M. at Registered office of the company situated at A-7/36-39, South of G.T. Road Industrial Area Electrosteel Casting Compound Ghaziabad -201009:-

Name of First Named Shareholder (In Block Letters)

Postal Address

Folio No./DP ID & Client ID

No. of Shares held

Class of Shares

I hereby exercise my vote in respect of Ordinary Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

S. No.	Brief of Resolutions	No. of Shares held by me	I assent to the resolution	I dissent to the resolution
ORDINARY BUSINESS(ES)				
1.	1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 st March, 2020 together with the Reports of Board of Directors and Auditors thereon.			
2.	2. To appoint Mr. Sushil Kumar Aggarwal (DIN: 00248707), Whole-Time Director, who retires by rotation and being eligible offers himself for re-appointment.			
SPECIAL BUSINESS (ES)				
3.	3. To Approve the Material Related Party Transactions with Bonita Furniture Private Limited.			

Signature of Shareholder

* Please tick in the appropriate column

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

24th Annual General Meeting, on Monday, 21st day of September 2020 at 10.00 A.M

Name of the Member (In Block Letters)

Folio No./DP ID & Client ID

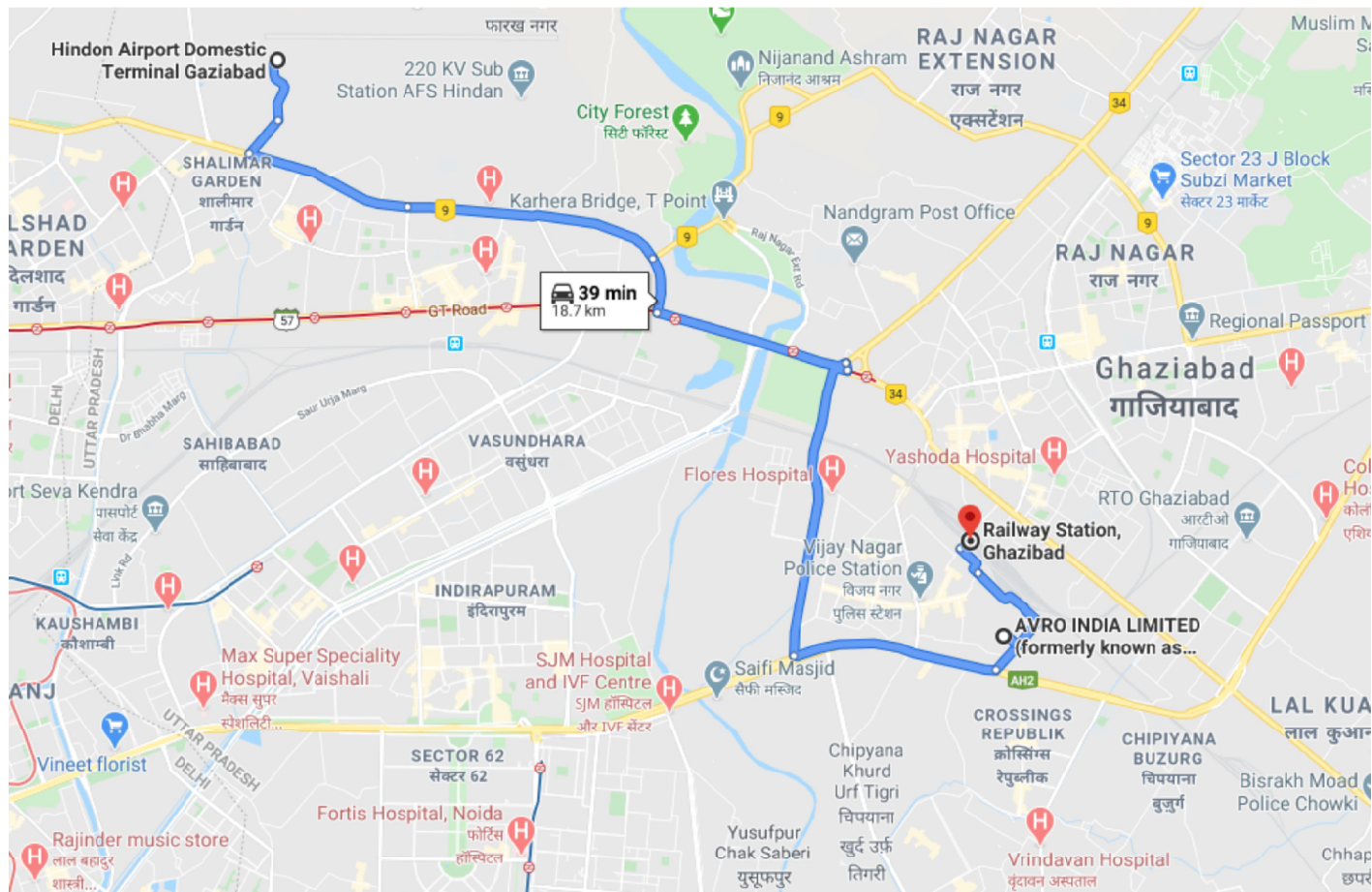
No. of Shares held

Name of Proxy (To be filled in, if the proxy
attends instead of the member)

I, hereby certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 24th Annual General Meeting of the Company on **Monday, 21st day of September 2020 at 10.00 A.M at A-7/36-39, South of G.T.Road Industrial Area Electrosteel Casting Compound Ghaziabad - 201009.**

Member's/Proxy's Signature

ROUTE MAP



Baby Desk/ Tea Table

1.6 kg

• 1 Year Guarantee

ONLY MOLD IN INDIA



12 Pc/Packing



Red



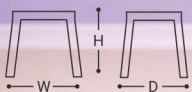
Blue



Orange



Brown



H: 495 mm | W: 555 mm | D: 440 mm

Step Stool

• 1 Year Guarantee

Need Of Every Home

ONLY MOLD IN INDIA

2.7 KG



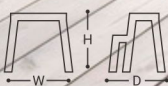
Brown



Teakwood



Rosewood



H: 635 mm | W: 540 mm | D: 555 mm

12 Pc/Packing



Baby Chair

900 grams

• 1 Year Guarantee

SINGLE MOLD IN INDIA

25 Pc/Packing



Red

Blue

Orange



H: 560 mm | W: 355 mm | D: 274 mm

3195

Double Color Chair

3 kg

• 1 Year Guarantee

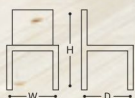
SINGLE MOLD IN INDIA

12 Pc/Packing



Orange Insert

Blue Insert



H: 875 mm | W: 530 mm | D: 440 mm



3581

Heavy Duty Chair

- 3 Step Front Legs
- 1 Year Guarantee
- Arm Support Handle With Texture

Beautiful Texture

Strong Box Length For Strength



3 kg

1 Copper



H: 835 mm | W: 500 mm | D: 485 mm

3582

Matt & Gloss

- Big Seat For Comfort
- Beautiful Texture on Back
- Arm Support Handle With Texture
- Rattan design At The Back
- 1 Year Guarantee



3 kg

1 Copper



H: 835 mm | W: 500 mm | D: 485 mm

Double Color Stool

- 19" In Height
- Double Color
- 1360 grams Weight
- 1 Year Guarantee

1.3 kg

Need Of Every Home

ONLY MOLD IN INDIA



Red & Yellow



Beige & Brown



Red & Blue



H - 490 mm, W - 455 mm, D - 390 mm

12 Pc/Packing

20 Pc/Packing



Viva

Center Table

Double Top Rattan

- Multi-use Shelf
- Wooden Texture Top
- Anti-Skid Locked Shoe

6 kg

Unique Design

3 साल की
गारंटी

*Guarantee applicable against bill & breakage only due to manufacturing defect on selected models only



Texture

1 Pc/Packing



White

Brown



H: 460 mm | W: 900 mm | D: 600 mm



*On Selected Products

AVRO INDIA LIMITED

(formerly known as Avon Moldplast Limited)

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