



VERA SYNTHETIC LIMITED

ANNUAL REPORT

FINANCIAL YEAR 2017-18

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VERA SYNTHETIC LIMITED

CIN: L17110GJ2000PLC037369

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CORPORATE INFORMATION

CIN: L17110GJ2000PLC037369

BOARD OF DIRECTORS

Mr. Sunil D. Makwana- Chairman & Managing Director
Mr. Nagin D. Makwana- Whole Time Director
Mr. Devjibhai P. Makwana- Executive Director
Mr. Ravikumar B. Adhiya- Independent Director
Mr. Dineshbhai M. Patel- Independent Director
Mrs. Divyaben H. Mehta- Independent Director

CHIEF FINANCIAL OFFICER

Mr. Bhavik B. Mehta
(W.e.f. 27th September, 2017)

STATUTORY AUDITORS

M/s. Nirav Shah & Co,
Chartered Accountants

BANKER

STATE BANK OF INDIA

REGISTERED OFFICE:

Office No. UL-27,
Pattani Plaza, Devubaug,
Dairy Road
Bhavnagar-364002
Gujarat-India

FACTORY

BLOCK NO 171,
PLOT NO 3, B/H SUDDHI
GAS, GHOGHA,
MAMSA, Bhavnagar,
Gujarat, 364110

COMPANY SECRETARY

CS Kruti Shah
(W.e.f. 27th September, 2017)

SECRETARIAL AUDITOR

Not Applicable for F.Y.-2017-18



LISTED ON NSE EMERGE

12th April, 2018

Correspondence Details for Investors

LINK INTIME INDIA PRIVATE LIMITED

Registrar & Transfer Agent
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai- 400 083 India
Tel: 022-49186200
Fax: 022-49186195
Email: verasynthetics.ipo@linkintime.co.in

VERA SYNTHETIC LIMITED

Compliance Officer
Office No. UL-27, Pattani Plaza,
Devubaug, Dairy Road,
Bhavnagar-364002
Gujarat-India
E-mail- cs@sujlonropes.com

Brief profile of our Board of Directors, Key Managerial Personnel:

Mr. Sunil D. Makwana

Mr. Sunil Makwana, aged 32 years, has been re designated as the Chairman and Managing Director of the Company w.e.f October 10, 2017. He holds a Bachelor degree in Commerce from Swami Sahajanand College of Commerce & Management, Bhavnagar affiliated with Bhavnagar University. He is the guiding force behind all the corporate decisions and is responsible for the entire business operations of the Company since his appointment. He looks after the overall business administration and specifically in purchase of raw material.

Mr. Nagin D. Makwana

Mr. Nagin Makwana, aged 38 years, has been re designated as the Whole Time Director of company w.e.f. October 10, 2017. He has been on the Board of Directors of the company since 2008. He has completed his Graduation in Business Administration from K S School of Business Management, Ahmedabad affiliated with Gujarat from University and he holds Master of Business Administration degree with specialization in Finance from the same college. His scope of work includes handling the financial and day to day operations of our company.

Mr. Devjibhai Makwana

Mr. Devjibhai Makwana, aged 64 years, is the Executive Director of company with effect from August 31, 2017. He has completed secondary education till 8th Standard from Secondary Education Board of Gujarat. He is responsible for overall supervision of business. He is having experience of more than 30 years in this plastic engineering field.

Mr. Ravikumar Adhiya

Mr. Ravikumar Adhiya, aged 35 years, has been appointed as an Independent Director of company with effect from October 10, 2017. He has completed First year of Bachelor of Arts studies till from Bhavnagar University.

Mr. Dineshbhai Patel

Mr. Dineshbhai Patel, aged 60 years, is Independent Director of company with effect from October 10, 2017. He has completed his graduation in Textile Engineering till second year from Maharaja Sayajirao University of Bhavnagar. He has experience of 30 years in Fishing Industry.

Mrs. Divyaben Mehta

Mrs. Divyaben Mehta, aged 54 years, has been appointed as an Independent Director of company w.e.f October 10, 2017. She has completed her Post Graduation in Commerce from Sardar Vallabhbhai Patel College, Ahmedabad affiliated with Gujarat University.

Mr. Bhavik Mehta

Mr. Bhavik Mehta, aged 24 years, is Chief Financial Officer of the company with effect from September 27, 2017. He has completed Bachelor in Commerce from M.J. College of Commerce, Bhavnagar affiliated to Maharaja Krishnakumarsinhji Bhavnagar University Further he completed his Masters in Commerce from Maharaja Krishnakumarsinhji Bhavnagar University. He is responsible for handling the financial operations of the company.

Ms. Kruti Shah

Ms. Kruti Shah, aged 25 years, is Company Secretary and Compliance Officer of the company with effect from September 27, 2017. She has completed Bachelor in Commerce from M.J. College of Commerce, Bhavnagar affiliated to Maharaja Krishnakumarsinhji Bhavnagar University. Further she completed her Masters in Commerce from Maharaja Krishnakumarsinhji Bhavnagar University. She is qualified Company Secretary by profession and is an associate member of the Institute of Company Secretaries of India. She is entrusted with the responsibility of handling corporate secretarial functions of our company.



MESSAGE FROM THE CHAIRMAN

Greetings from VERA!

I am delighted to once again be a bearer of good news and report another year of good performance at your company. Your Company has come up with an IPO in April, 2018.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- Any increase in Indian interest rates or inflation;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India;
- Prevailing income conditions among Indian consumers and Indian corporations;

Our people strategy has always been to recruit and retain people with leadership qualities. We invest in our people and believe they are one of the major reasons for our success. We believe that growth of our people precedes the growth of the company. We promote leadership within our ranks by offering people greater responsibility with the freedom to perform to their best.

Our growth story, to my mind has been largely due to our Unique Business model as well as our striving excellence. We have great vision and power of innovation in the field of fishing Net, Agriculture Net, Ropes, Twines, Yarn and Taps. We draw our strength and quality from the art manufacturing facilities. Also the latest imported machinery from China for manufacturing of Fishing and Agricultural Net.

During the year, your Company have significantly poured efforts and as result the Operational Income of the Company has been increased to Rs.222,511,077.00/- compared to Rs.184,201,677.00/- in the previous year.

I would also like to declare that our desire for future expansions through increased production by new Machinery and to improve the depth of our business to provide the desired growth strategy still prevails and we are constantly surveying the horizon in this regard.

I would like to conclude with a sense of confidence and strong optimism that we are striving and will continue to strive for a sustained and enduring growth across our various product mix.

I take this opportunity to express my sincere thanks to all the shareholders for their continued trust in the Board of Directors and the Management of the Company. On behalf of the Company, I would also like to thank all our stakeholders - customers, dealers, suppliers, other business associates the Government and regulatory agencies and employees for

invaluable support and co-operation in the year gone by and expect similar support in the years to come.

Thank you.

SD/-

Sunil Makwana

Chairman & Managing Director





VERA SYNTHETIC LIMITED

NOTICE

NOTICE is hereby given that the 19th ANNUAL GENERAL MEETING (“19th AGM”) and post listing 1st AGM of the members of M/s. Vera Synthetic Limited (“the Company”) will be held on Saturday, the 29th day of September, 2018, at 11:00 A.M., at Office no. UL-27, Pattani Plaza Complex, Devubaug, Dairy Road, Bhavnagar – 364002 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements including Audited Balance Sheet of the Company as at 31st March, 2018 and the Statement of Profit and Loss and Cash flow statement for the year ended on that date together with Directors’ and the Auditors’ Report thereon.
2. To appoint a Director in place of Mr. Devjibhai Premjibhai Makwana (DIN: 00359412), who retires by rotation and being eligible, offers himself for re-appointment.

**BY ORDER OF THE BOARD OF DIRECTORS OF
VERA SYNTHETIC LIMITED**

SD/-

Place: Bhavnagar

Date: 4th September, 2018

**Sunil Makwana
Chairman**



VERA SYNTHETIC LIMITED

NOTES:

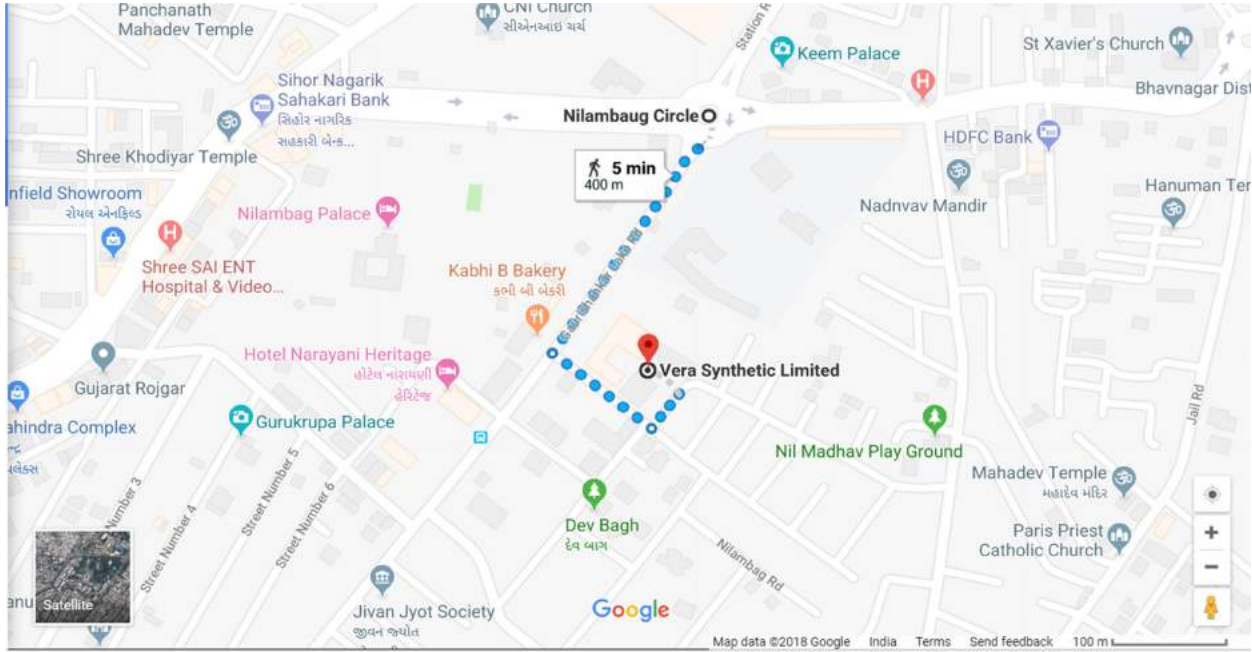
1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) WHO ARE HOLDING, IN THE AGGREGATE, NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
2. ATTENDANCE SLIP AND PROXY FORM OF THE MEETING ARE ANNEXED HERETO AS **ANNEXURE A & B**
3. The enclosed proxy form, if intended to be used, should reach the registered office of the Company duly completed not less than forty eight hours (48 hours) before the scheduled time of the meeting.
4. The Register of Members and Share Transfer Books shall remain closed from 22nd September, 2018 to 29th September, 2018 (both days inclusive).
5. Please bring copy of the Annual Report at the Annual General Meeting of the Company.
6. All documents referred to in the notice are open for inspection at the registered office of the Company between 11.00 am to 5.00 pm on any working day prior to the date of the meeting and will also be available at the meeting venue on the date of the meeting.
7. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least ten days in advance of the Annual General Meeting.
8. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their Depository Participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the members.
9. The Company has implemented the "Green Initiative" as per Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. Henceforth, the email addresses indicated in your respective depository participant accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving notices/ documents including those covered under section 136 of the Companies Act, 2013. The Notice of AGM and the copies of Audited Financial Statements, Directors' Report, Auditors' Report etc. will also be displayed on the website (www.sujlonropes.com) of the Company and the other requirements of the



VERA SYNTHETIC LIMITED

aforesaid MCA circular will be duly complied with. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants.

10. The prominent Land mark near Pattani Plaza is Nilambaug Circle and the Venue of AGM is as follows:



ANNEXURE TO THE NOTICE DATED 4th September, 2018

DETAILS OF DIRECTOR RETIRING BY ROTATION/SEEKING APPOINTMENT/RE-APPOINTMENT

Name of Director	Devjibhai P. Makwana
Date of Birth	06.02.1954
Qualifications	Secondary Education Till 8 th Standard
Directorship in other Companies/Partnership Firms	SURAJ FILAMENTS PRIVATE LIMITED Variofil Industries
Shareholding in the Company as at 31.03.2018	2,00,000

BY ORDER OF THE BOARD OF DIRECTORS OF
VERA SYNTHETIC LIMITED
SD/-

Place: Bhavnagar
Date: 4th September, 2018

Sunil Makwana
Chairman



VERA SYNTHETIC LIMITED

ANNEXURE-A

ATTENDANCE SLIP

CIN: L17110GJ2000PLC037369

Name of the company: VERA SYNTHETIC LIMITED

Registered office: Office No. UL 27, Pattani Plaza Complex, Devubaug, Dairy Road, Bhavnagar-364002,
Gujarat, India

Venue of the meeting : Registered Office: Vera Synthetic Limited, Office
No. UL-27 Pattani Plaza Complex, Devubaug,
Dairy Road, Bhavnagar Gujarat-364002 India

Day, Date & Time:

Full name of the member attending: _____

Client ID No.: _____

Number of shares held: _____

Name of Proxy: _____

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

I hereby record my presence at the 19th Annual General Meeting of the VERA SYNTHETIC LIMITED (Formerly Known as Vera Synthetic Pvt. Ltd.), at its registered office, Office No. UL 27, Pattani Plaza Complex, Devubaug, Dairy Road, Bhavnagar-364002, Gujarat, India on 29th September 2018.

(Member's /Proxy's Signature)

Note: Please fill attendance slip and hand it over at the entrance of the meeting venue.



VERA SYNTHETIC LIMITED

ANNEXURE-B

Form No. MGT-11

Proxy form

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

CIN: L17110GJ2000PLC037369

Name of the company: VERA SYNTHETIC LIMITED

Registered office: Office No. UL 27, Pattani Plaza Complex, Devubaug, Dairy Road, Bhavnagar-364002, Gujarat, India

Name of the member(s): _____

Registered address: _____

E-mail Id: _____

Folio No: _____

I/We, being the member(s) of Shares of the above named Company, hereby appoint

Name: _____

Address: _____

E-mail Id: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 29th, September 2018 at 11:00 A.M at Office No. UL 27, Pattani Plaza Complex, Devubaug, Dairy Road, Bhavnagar-364002, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Ordinary Business	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 together with the Report of the Board of Directors and Auditors thereon and this regard, pass the resolution as an Ordinary resolution.		
2	To appoint Mr. Devjibhai P. Makwana (DIN:00359412) Director of the Company, who retire by rotation and being eligible, offer himself for re-appointment as a director and this regard, pass the resolution as an Ordinary resolution		

Signed thisDay of2018

Signature of shareholder

Signature of proxy holder(s)

Affix
Revenue
Stamp

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

DIRECTORS' REPORT

To,
The Shareholders
VERA SYNTHETIC LIMITED
(Formerly known as Vera Synthetic Pvt. Ltd.)

Your Directors have pleasure in presenting the 19th Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2018.

1. SUMMARY OF FINANCIAL RESULTS:

Particulars	Current Year 2017-18	Previous Year 2016-17
Total Revenue from operations	223,540,344	184,421,490
Total Expenditure	208,160,081	178,235,775
Profit / (Loss) Before Tax	15,380,264	6,185,714
Provision for Taxation		
(1) Current Tax	4,546,580	2,054,900
(2) Deferred Tax	187,144	-143,416
(3) Income-tax adj. of earlier years	93,828	15,087
Profit / (Loss) after Tax	10,552,712	4,259,143
Earning Per Equity Share:		
(1) Basic	2.93	2.37
(2) Diluted	2.93	2.37

The Operational Income of the Company has been increased to Rs.222,511,077.00/- compared to Rs 184,201,677.00/- in the previous year. Total Revenue has been increased from Rs. 184,421,490.00/- to 223,540,344.00/- Total expenditure has been increased from Rs.178,235,775.00/- toRs. 20,816,008.00/- Profit has been significantly increased from Rs.4,259,143.00/- to Rs.10,552,712.00/- This year your company has performed remarkable profit compared to previous year.

2. DIVIDEND:

With a view to finance expansion from internal accrual for the growth of the Company, the directors do not recommend any dividend for the year ended March 31, 2018.

3. OPERATIONAL HIGHLIGHTS AND PROSPECTS:

This was a remarkable year for your Company as it has achieved highest ever turnover as well as profitability. During the year turnover has increased to Rs. **223,540,344.00** from Rs. **184,421,490.00** representing an increase of **21%** over previous year.

4. CREDIT FACILITIES

The Company has been optimally utilizing its 'fund based' and 'non-fund based' working capital requirements as tied up with STATE BANK OF INDIA. During the year under review, the Company was comfortable in meeting its financial requirements. Effective financial measures have been continued to reduce cost of interest and bank charges.

5. SHARE CAPITAL AND CHANGES

During F.Y. 2017-18, changes in the capital structure of Company are as follows.

With vision of conversion of structure of Company on 5th May 2017, Members approved for increase in Authorised Share Capital from Rs. 1,80,00,000/- to Rs. 2,30,00,000/-

With vision of IPO Authorised Share Capital Increased from Rs. 2,30,00,000/- to 7,00,00,000/-

Paidup Share Capital has been increased from Rs. 1,80,00,000/- to 3,60,00,000/- due to issue of bonus shares in 1:1 ratio.

6. MATERIAL CHANGES

There are no significant events affecting the financial position between the end of the financial year and date of the Report except the following:

- a) Appointment of M/s. Nirav Patel & Co., Chartered Accountants, as a Statutory Auditors of the Company to fill up the casual vacancy caused by Resignation of M/s. S. Vora & Associates, Chartered Accountants, existing Auditors.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **ANNEXURE I** and is enclosed to this report.

8. RISK MANAGEMENT:

The Company has framed a sound Risk Management Policy to identify and evaluate business risks and opportunities and the same has become integral part of the Company's day to day operations. The key business risks identified by the Company are Industry risk, Management and Operations risk, Market risk, Government policy risk, Liquidity risk, and Systems risk. The Company has in place adequate mitigation plans for the aforesaid risks. The Policy on Risk Management is available on website of the Company under tab Investors/Policies/Risk Management Policy.

9. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the furnishing the said information is not applicable.

11. CHANGE IN NATURE OF BUSINESS, IF ANY

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

12. RELATED PARTY TRANSACTIONS:

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Board for its Omnibus approval and the particulars of contracts entered during the year as per **Form AOC-2** is enclosed as **ANNEXURE II.**

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act 2013, the rules made thereunder and the Listing Agreement. This policy was considered and approved by the Board and has been uploaded on the website of the Company at www.sujlonropes.com under Investors/ Policies/Policy on Related Party Transactions.

13. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, there were following changes in the Directors and Key Managerial Personnel.

Appointment of Additional Director:

Mr. Devjibhai P. Makwana (DIN: 00359412) as an Additional Director as on the Board w.e.f 7th August, 2017. Director will hold the office upto the next AGM

Further, sub-section (13) of Section 149, provides that the provisions of retirement by rotation as defined in sub-sections (6) and (7) of Section 152 of the Companies Act, 2013 shall apply to Additional Director. Hence, he will be held liable to retire by rotation at the AGM.

Appointment of Independent Directors:

Mr. Dinesh Manilal Patel (DIN: 07931168) and Mr.Ravi B. Adhiya (DIN: 07931175) as an Additional Independent Directors on the Board w.e.f 27th September, 2017 Both the Independent Directors will hold the office for three years upto the 21st Annual General Meeting.

Further, sub-section (13) of Section 149, provides that the provisions of retirement by rotation as defined in sub-sections (6) and (7) of Section 152 of the Companies Act, 2013 shall not apply to such Independent Directors. Hence, none of the Independent Directors retire at the AGM.

Appointment of Women Director:

As per proviso to Section 149(1) of the Companies Act, 2013 read with Rule 3 of The Companies Appointment and Qualification of directors) Rules, 2014 and in Clause 49 of the Listing Agreement, every listed Company is required to appoint a Women Director. Mrs. Divya H. Mehta (DIN: 07951990) was appointed as a Women Director on the board w.e.f. 27th September, 2017. In accordance with Section 161 of the Act, Mrs. Divya H. Mehta (DIN: 07951990) holds office up to the date of the 21st AGM of the Company. She is non executive Director hence she is not liable to retire by rotation.

Appointment of Company Secretary (KMP):

Further, Ms. Kruti Shah has been appointed as a Company Secretary and Compliance Officer of the Company with effect from 27th September, 2017.

Appointment of Chairman, Managing Director and Chief Financial Officer (KMPs):

Mr. Sunil Makwana (DIN: 00245683) has been appointed as Chairman & Managing Director of the Company w.e.f. 10th October, 2017 for a period of five years i.e., from 10th October, 2017 as per provisions of the Companies Act, 2013. He is devoting his full time for proper working and betterment of the Company and associated with the Company since 2008

Mr. Nagin Makwana (DIN: 01833956) has been appointed as a Whole Time Director on the board w.e.f 10th October, 2017 for a period of five years i.e., from 10th October, 2017.

Mr. Bhavik Mehta has been appointed as a Chief Financial Officer (CFO) of the Company w.e.f 27th September, 2017 as per the provisions of the Companies Act 2013.

Composition of Board of Directors:

Thus, the Board of Directors of Company is a balanced one with an optimum mix of Executive and Non Executive Directors. They show active participation at the board and committee meetings, which enhances the transparency and adds value to their decision making. The Board of the Company is headed by an Executive Chairman. Chairman takes the strategic decisions, frames the policy guidelines and extends wholehearted support to Executive Directors, business heads and associates.

As on 31st March, 2018, the Board of Company consists of Six (6) Directors. The composition and category of Directors as well as other details are as follow:

Sr. No.	Name of the Director	Category	DIN	No. of Board Meeting attended last year	Whether attended last AGM	No. of membership in committee in other Public Limited Company
1	Mr. Sunil D. Makwana	Promoter, Chairman & Managing Director	00245683	12	YES	NIL
2	Mr. Nagin D. Makwana	Promoter & Whole Time Director	01833956	12	YES	NIL
3	Mr. Devjibhai P. Makwana	Promoter Group & Executive Director	00359412	9	YES	NIL
4	Mr. Dinesh M. Patel	Non Executive & Independent Director	07931168	5	NO	NIL
5	Mr. Ravi B. Adhiya	Non Executive & Independent Director	07931175	5	NO	NIL
6	Mrs. Divya H. Mehta	Non Executive & Independent Director	07951990	5	NO	NIL

Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than Vera Synthetic Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
3. None of the directors are related to each other except Mr. Sunil D. Makwana, Nagin D. Makwana and Mr. Devjibhai P. Makwana are related to each other.
4. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.
5. Brief profile of each of the above Directors are given in the beginning of the report.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

BOARD COMMITTEES AND THEIR MEETINGS:

The Company has the following Committees of the Board along with details of its compositions.

Sr. No.	Name of Committee	Members
1	Audit Committee	Mr. Ravikumar Adhiya- Chairman Mrs. Divyaben Mehta- Member Mr. Dineshbhai Patel- Member Mr. Sunil Makwana - Member
2	STAKEHOLDER'S RELATIONSHIP COMMITTEE	Mr. Ravikumar Adhiya- Chairman Mrs. Divyaben Mehta- Member Mr. Nagin Makwana – Member
3	NOMINATION AND REMUNERATION COMMITTEE	Mr. Ravikumar Adhiya- Chairman Mrs. Divyaben Mehta- Member Mr. Dineshbhai Patel- Member

Applicability of Committee started from 12th April 2018 hence meetings were not conducted during the Financial Year 2017-18

REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their

remuneration. The Policy on Nomination and Remuneration is available on the website of the Company under Investors/Policies/Nomination and Remuneration Policy.

CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company under Investors/Policies/Code of Conduct. All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

INSIDER TRADING:

The Board has in consultation with the Stakeholders' Relationship Committee laid down the policy to regulate and monitor Insider Trading. The Committee regularly analyzes the transactions and monitors them to prevent Insider Trading. The policy on Insider Trading is available on the website of the Company under Investors/Polices/Code of Conduct for prevention of Insider Trading Policy.

MEETINGS:

Number of Board meetings held during the Financial Year are as mentioned below:

Sr. No.	Date of Board Meeting	Chairperson
1	07/04/2017	Mr. Nagin D. Makwana
2	15/04/2017	Mr. Nagin D. Makwana
3	07/08/2017	Mr. Sunil D. Makwna
4	03/09/2017	Mr. Sunil D. Makwna
5	04/09/2017	Mr. Sunil D. Makwna
6	11/09/2017	Mr. Sunil D. Makwna
7	27/09/2017	Mr. Sunil D. Makwna
8	21/10/2017	Mr. Sunil D. Makwna
9	27/10/2017	Mr. Sunil D. Makwna
10	31/10/2017	Mr. Sunil D. Makwna
11	03/11/2017	Mr. Sunil D. Makwna
12	21/02/2018	Mr. Sunil D. Makwna

Number of General meetings held during the Financial Year are as mentioned below:

Sr. No.	Date of General Meeting	Type of General Meeting	Chairperson
1	05/05/2017	Extra Ordinary General Meeting	Shri Nagin D. Makwana
2	31/08/2017	Extra Ordinary General Meeting	Shri Nagin D. Makwana

3	21/09/2017	Extra Ordinary General Meeting	Shri Sunil D. Makwana
4	30/09/2017	Annual General Meeting	Shri Sunil D. Makwana
5	10/10/2017	Extra Ordinary General Meeting	Shri Sunil D. Makwana
6	29/11/2017	Extra Ordinary General Meeting	Shri Sunil D. Makwana

DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

14. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **ANNEXURE III** and the same is enclosed to this Report.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company.

17. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

18. AUDITORS & AUDITORS' REPORT:

Statutory Auditor:

The Statutory Auditors M/s. S. Vora & Associates, Chartered Accountants, had expressed their inability to continue as Auditors of the Company and hence tendered their resignation on 1st November, 2017. Accordingly, the Board had approached M/s. Nirav Patel & Co, Chartered Accountants to fill up the casual vacancy caused by resignation of M/s. S. Vora & Associates, Chartered Accountants. M/s. Nirav Patel & Co, Chartered Accountants (FRN: 134617W) signified their willingness to be appointed and declared their eligibility to be appointed as a Statutory Auditor of the Company. Hence, the Board of Directors, vide its resolution passed on 03rd November, 2017 had appointed M/s. Nirav Patel & Co, Chartered Accountants as Statutory Auditors of the Company to fill up the casual vacancy.

As per provisions of section 139(8) of the Companies Act, 2013 the appointment of Statutory Auditors to fill up the casual vacancy caused by resignation of existing auditors, needs to be approved and ratified by the members of the Company at a general meeting convened within a period of three months from the date of his appointment. Hence, appointment of M/s. Nirav Patel & Co, Chartered Accountants, as a statutory auditor to fill up the casual vacancy caused by resignation of M/s. Nirav Patel & Co., Chartered Accountants, has been ratified in the Extra Ordinary General meeting dated 29th November, 2017.

Statutory Auditors' Report:

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

There is no qualification, reservations or adverse remarks made by the Auditors.

Secretarial Audit

As per section 204 of the Companies Act 2013 your company do not have applicability of Secretarial Audit for the Financial Year 2017-18

Internal Auditor:

As per section 138 of the Companies Act 2013 your company do not have applicability of Internal Audit for the Financial Year 2017-18

19. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the Company.

The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

20. SHARES:

Buy-back of Securities:

The Company has not bought back any of its securities during the year under review.

Sweat Equity:

The Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares:

The Board and Members have approved resolution for allotment of bonus shares in the ratio of 1:1 to the shareholders as on 10th October, 2017

The company has allotted shares to the member's on 27th October, 2017

Employees Stock Option Plan:

The Company has not provided any Stock Option Scheme to the employees.

21. PARTICULARS OF EMPLOYEES:

None of the employee has received remuneration exceeding the limit as stated in Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rule, the activity of your Company does not fall under any sectors as

specified under Rule 3 of Companies (Cost Records and Audit) Rules, 2014 and hence, maintenance of cost records as well as the cost audit, as the case may be has not been applicable to the Company for the Financial Year 2017-18.

23. HUMAN RESOURCES:

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at its workplace. The Company has adopted an Anti-harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee are set up to redress complaints received regularly and are monitored by women line supervisors who directly report to the Chairman & Managing Director. All female employees are covered under the policy. There was no complaint received from any employee during the financial year 2017- 18 and hence, no complaint is outstanding as on March 31, 2018 for redressal.

25. MATERIAL CHANGES

There was no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of report.

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

There were no material orders passed by the regulators or court or tribunals impacting the going concern status and company's operations in future

27. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is appended as **ANNEXURE IV** to this Report.

28. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed in the Company Management Team.

Dated: 23.08.2018

For and on behalf of the Board of Directors of
VERA SYNTHETIC LIMITED

SD/-
Sunil Makwana
Chairman & MD
DIN: 00245683

SD/-
Nagin Makwana
Whole Time Director
DIN: 01833956



ANNEXURE I

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors.

A. CONSERVATION OF ENERGY:

The Company is focusing to adopt appropriate measures for conservation of energy, which is reflected by very low consumption of power during the year.

Power & Fuel Consumption:

Sr. No.	Particulars	2017-18	2016-17
1	Electricity:		
	Unit	17,48,396	15,55,820
	Total Amount (in Rupees)	1,17,93,401	99,27,873
	Rate/Unit	6.74/-	6.38/-

Consumption per unit of production:

Since the Company manufactures different types of products, it is not practicable to give consumption per unit of production.

B. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Sr. No.	Particulars	2017-18	2016-17
1	Earning from Export during the Year	99,91,373/-	-----
2	Outgo of Foreign Exchange	2,46,228/-	-----

Dated: 23.08.2018

For and on behalf of the Board of Directors of
VERA SYNTHETIC LIMITED

SD/-
Sunil Makwana
Chairman & MD
DIN: 00245683

SD/-
Nagin Makwana
Whole Time Director
DIN: 01833956

Form No. AOC-2

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

Annexure to Directors' Report for the year ended March 31, 2018

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

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

Sr. No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	NIL
B	Nature of contracts/arrangements/transactions	NIL
C	Duration of the contracts / arrangements/transactions	NIL
D	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
E	Justification for entering into such contracts or arrangements or Transactions	NIL
F	date(s) of approval by the Board	NIL
G	Amount paid as advances, if any:	NIL
H	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangement or transactions at arm's length basis: **Does Not attract Section 188 of Companies Act, 2013**

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Vera Nets Pvt. Ltd. Group Company	Purchase of Goods	Ordinary Course of Business	Transaction values Rs.2,74,08,874/-	N.A.	NIL
Vera Industries Associates Concern	Purchases of Goods	Ordinary Course of Business	Transaction values Rs.1,41,6000/-	N.A.	NIL
Sainath Enterprise Associate Concern	Purchases of Goods	Ordinary Course of Business	Transaction values Rs.4,35,80,693/-	N.A.	NIL

Dated: 23.08.2018

For and on behalf of the Board of Directors of
VERA SYNTHETIC LIMITED

SD/-
Sunil Makwana
Chairman & MD
DIN: 00245683

SD/-
Nagin Makwana
Whole Time Director
DIN: 01833956



ANNEXURE III**Form No. MGT-9**

EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON 31/03/2017

*[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	L17110GJ2000PTC037369
ii.	Registration Date	16/02/2000
iii.	Name of the Company	VERA SYNTHETIC LIMITED
iv.	Category / Sub-Category of the Company	Company limited by shares / Indian Non Government Company
v.	Address of the Registered office and contact details	OFFICE NO.UL-27, PATTANI PLAZA, DEVUBAG, DAIRY ROAD BHAVNAGAR 364002- GUJARAT- INDIA
vi.	Whether listed company	YES
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Polypropylene Filament yarn	54023910	100%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1					
2					
3					
4					

NOT APPLICABLE

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	--	1349982	1349982	75.00	2900000	0	2900000	80.56	(+5.55)
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Sub-total(A)(1):-	--	1349982	1349982	75.00	2900000	0	2900000	80.56	--
2) Foreign									
g) NRIs- Individuals	--	--	--	--	--	--	--	--	--
h) Other- Individuals	--	--	--	--	--	--	--	--	--
i) Bodies Corp.	--	--	--	--	--	--	--	--	--
j) Banks / FI	--	--	--	--	--	--	--	--	--
k) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total	--	--	--	--	--	--	--	--	--

(A)(2):-									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FII's	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1)	--	--	--	--	--	--	--	--	--
2. Non Institutions	--	--	--	--	--	--	--	--	--
a) Bodies Corp.									
(i) Indian									
(ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		100018	100018	5.55	NIL	0	0	0	(-5.55)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		3500000	3500000	19.44	700000	0	700000	19.44	---

c) Others(Specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(2)	--	--	--	--	--	--	--	--	--
Total Public Shareholding (B)=(B)(1)+ (B)(2)		4500018	4500018	25.00	700000	0	700000	19.44	(-5.55)
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)		1800000	1800000	100	3600000	0	3600000	100	

II. Shareholding of Promoters

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			NOTES	%Change during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbe red to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbe red to total shares		
1	Trambak D. Makwana	103000	5.72	0	206000	5.72	0	1:1 Bonus Shares	0
2	Bhartiben N. Makwana	100000	5.56	0	200000	5.56	0	1:1 Bonus Shares	0
3	Yogesh D. Makwana	150000	8.33	0	300000	8.33	0	1:1 Bonus Shares	0
4	Devjibhai P. Makwana HUF	100000	5.56	0	200000	5.56	0	1:1 Bonus Shares	0
5	Sunil D. Makwana	300000	16.67	0	800036	22.22	0	Transfer of 100018 Shares & 1:1 Bonus Shares	(+5.55)
6	Nagin D. Makwana	396982	22.05	0	793964	22.05	0	1:1 Bonus Shares	0
7	Dev jibhai P. Makwana	100000	5.56	0	200000	5.56	0	1:1 Bonus Shares	0

8	Cha mpaben D. Makwana	100000	5.56	0	200000	5.56	0	1:1 Bonus Shares	0
	Total	1349982	75.00	0	2900000	80.55	0		

III. Change in Promoters' Shareholding

Sr. no.	Particular	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	At the beginning of the year	1349982	75.00	1349982	75.00
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	(+100018) By way of Transfer on 11.09.2017 (+1450000)- Bonus Shares 1:1 27.10.2017	5.55	1550018	5.55
3	At the End of the year	2900000	80.55	2900000	80.55

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

Sr. no.	Particular	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	Sheeba Yogesh Makwna	150000	8.33	300000	8.33
2	Narottambhai G. Sarvaiya	200000	11.11	400000	11.11
3	Bharat D. Makwana	100000	5.55	100000	5.55
4	Rajubhai Kuberbhai Parmar	9	0.0005	9	0.0005
5	Maganbhai L. Chavda	9	0.0005	9	0.0005
	Date wise Increase / Decrease in	(-100018)- Decrease by		(-100018)	(-5.55)

	Shareholding during the year	way of Transfer on 11.09.2017 (+350000) Increase by way of Bonus Shares 1:1 27.10.2017		(+350000)	----
6	At the End of the year	700000	19.44	700000	19.44

V. Shareholding of Directors and Key Managerial Personnel:

Sr. no.	Particular	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	Sunil D. Makwana				
I	At the beginning of the year	300000	16.67	300000	16.67
II	Date wise Increase / Decrease in Shareholding during the year	(+100018)- increase by way of Transfer on 11.09.2017 (+400018)- increase by way of Bonus Shares 27.10.2017	(+5.55)	500036	5.55
III	At the End of the year	800036	22.22	800036	22.22
	Nagin D. Makwana				
I	At the beginning of the year	396982	22.04%	396982	22.04%
II	Date wise Increase / Decrease in Shareholding during the year	(+396982)- Bonus Shares 27.10.2017		396982	----
III	At the End of the year	793964	22.04%	800036	22.04%

	Devjibhai P. Makwana				
I	At the beginning of the year	100000	5.56%	100000	5.56%
II	Date wise Increase / Decrease in Shareholding during the year	(+100000) Bonus Shares 27.10.2017		100000	----
III	At the End of the year	200000	5.56%	200000	5.56%
	Mr. Dinesh M. Patel				
I	At the beginning of the year	0	0	0	0
II	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
III	At the End of the year	0	0	0	0
	Mr. Ravi B. Adhiya				
I	At the beginning of the year	0	0	0	0
II	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
III	At the End of the year	0	0	0	0
	Mrs. Divya H. Mehta				
I	At the beginning of the year	0	0	0	0
II	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
III	At the End of the year	0	0	0	0
	Mr. Bhavik B. Mehta				
I	At the beginning of the year	0	0	0	0
II	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
III	At the End of the year	0	0	0	0
	Ms. Kruti Shah				

I	At the beginning of the year	0	0	0	0
II	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
III	At the End of the year	0	0	0	0

VI. INDEBTEDNESS

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

Particular	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	8317850	102910	0	8420760
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not paid				
Total (i+ii+iii)	8317850	102910	0	8420760
Change in Indebtedness during the financial year				
- Addition	28691566	9727667	0	38419233
- Reduction	-109737	0	0	-109737
Net Change	28581829	9727667	0	38309496
Indebtedness at the end of the financial year	36899679	9830577	0	46730256
ii) Principal Amount				
ii) Interest due but not paid				
iii) Interest				

accrued but not paid				
Total (i+ii+iii)	36899679	9830577	0	46730256

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Sunil D. Makwana Nagin D. Makwana Devjibhai P. Makwana	4800000 2550000 800000
2	Stock Option	---	--
3	Sweat equity	---	--
4	Commission -as % of profit - others, if any	---	--
5	Others, please specify	---	--
6	Total (A)		8150000
	Ceiling as per the Act		

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of Director	Total Amount
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	---	---
	Total (1)		
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

Sr. No.	Particulars of Remuneration	KMP			Total Amount
		CEO	CFO	CS	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	216000	300000	
2	Stock Option		NA	NA	
3	Sweat equity		NA	NA	
4	Commission -as % of profit - others, if any		NA	NA	
5	Others, please specify		NA	NA	
6	Total (A)		216000	300000	516000

VIII. 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					

NOT APPLICABLE

Dated: 23.08.2018

For and on behalf of the Board of Directors of

VERA SYNTHETIC LIMITED

SD/-
Sunil Makwana
Chairman & MD
DIN: 00245683

SD/-
Nagin Makwana
Whole Time Director
DIN: 01833956

Annual Report 2017-18

ANNEXURE IV

Management Discussion and Analysis

A)	INDUSTRY STRUCTURE AND DEVELOPMENTS
	<p>Industry Structure: Over the last year, we have seen a revival in the Indian economy with macroeconomic indicators now starting to trend favourably. With policy reforms and de-bottlenecking of processes initiated by the government, the global sentiment towards India has improved substantially. Your company, as you are aware, has been manufacturing of fishing nets ropes, twines yarns, mainly high density plastic products. Based on market demand, company's products have been diversified into plastic engineering products.</p> <p>Developments: Modernization and expansion into more value added products and Technological development has been the tradition of your Company. Innovation & development is the key for growth in any forward looking company.</p>
B)	OPPORTUNITIES
	India emerges as the World's fastest growing large economy with projected GDP growth at 7.2% during FY 2017-18. This is an opportunity for demand in plastic engineering products.
C)	THREATS
	Increasing competition from domestic and foreign players could lead to margin contraction due to pricing pressure. Some of the larger global players are already present in India. Highly fluctuating price of grenules which is the principle input to the plastic Industry, continues to be of serious concern. The rising cost of production, especially due to wage increase and rise in prices of other materials & services, short & stringent delivery schedule by customers in the background of highly volatile plastic product prices, Fiscal policy of government encouraging imports of inputs which are detrimental to Indian Plastic Industry, competition from other leading manufacturers etc. continue to threaten the profitability of your Company. Competition, whether domestic or international, is always a challenge and transforming challenges into opportunities has been a practice at Vera Synthetic Limited.
D)	SEGMENT WISE PERFORMANCE
	The Company has only one segment. Performance of the same is given below in point H .
E)	OUTLOOK
	The Plastics Export Promotion Council (PLEXCONCIL) is the apex government body responsible for the promotion of plastic exports. PLEXCONCIL members comprise large-/medium-/small-scale manufacturers and exporters. The council supports exporters by

	participating in international trade fairs, exploring new markets, organising buyer- seller meets both in India and overseas, and engaging in various other promotion and need- based activities.																																						
F)	RISKS AND CONCERNS																																						
	<p>In the winding plastic product business, the global demand and supply of fishing net and its prices plays a vital role and could significantly affect your Company's turnover. Your Company is fairly exposed to the domestic and global political and economic risks. The prices advanced on rapidly increasing demand for plastic products from China, India and the other emerging economies of Asia. Your Company also continuously keeps working on getting approvals from new and renowned customers to increase its market share commensurate with its capacity.</p> <p>Intense competition in the market could affect our cost advantages and result in decreased turnover. Failure to complete fixed price, fixed time frame deliveries could result in lower revenues of the company. The business of your Company could suffer if we fail to anticipate and develop new products and enhance existing range to keep pace with the rapid changes in the plastic industry. Currency fluctuations could affect the results of operations.</p> <p>Your Company's manufacturing facilities are based in India. Any changes in the legal, fiscal and other regulatory regimes of our country could affect our performance. In the event that the Government of India brings about any changes in import tariffs in India and reduction or curtailment of income tax benefits available to some of our operations in India can pose risks to your Company. It also has a wide customer base and changes in the legal, fiscal or regulatory regimes can also affect the competitiveness of our product and affect your Company's performance.</p>																																						
G)	INTERNAL CONTROL SYSTEM																																						
	The Company has implemented internal control system at floor to shop level and we believe that Internal controls and systems implemented are adequate. These are also reviewed periodically by the Board and efforts are made to improve further, wherever possible.																																						
H)	DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE																																						
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Current Year 2017-18</th> <th>Previous Year 2016-17</th> </tr> </thead> <tbody> <tr> <td>Total Revenue from operations</td> <td>223,540,344</td> <td>184,421,490</td> </tr> <tr> <td>Total Expenditure</td> <td>208,160,081</td> <td>178,235,775</td> </tr> <tr> <td>Profit / (Loss) Before Tax</td> <td>15,380,264</td> <td>6,185,714</td> </tr> <tr> <td>Provision for Taxation</td> <td></td> <td></td> </tr> <tr> <td> (4) Current Tax</td> <td>4,546,580</td> <td>2,054,900</td> </tr> <tr> <td> (5) Deferred Tax</td> <td>187,144</td> <td>-143,416</td> </tr> <tr> <td> (6) Income-tax adj. of earlier years</td> <td>93,828</td> <td>15,087</td> </tr> <tr> <td>Profit / (Loss) after Tax</td> <td>10,552,712</td> <td>4,259,143</td> </tr> <tr> <td>Earning Per Equity Share:</td> <td></td> <td></td> </tr> <tr> <td> (3) Basic</td> <td>2.93</td> <td>2.37</td> </tr> <tr> <td> (4) Diluted</td> <td>2.93</td> <td>2.37</td> </tr> </tbody> </table>	Particulars	Current Year 2017-18	Previous Year 2016-17	Total Revenue from operations	223,540,344	184,421,490	Total Expenditure	208,160,081	178,235,775	Profit / (Loss) Before Tax	15,380,264	6,185,714	Provision for Taxation			(4) Current Tax	4,546,580	2,054,900	(5) Deferred Tax	187,144	-143,416	(6) Income-tax adj. of earlier years	93,828	15,087	Profit / (Loss) after Tax	10,552,712	4,259,143	Earning Per Equity Share:			(3) Basic	2.93	2.37	(4) Diluted	2.93	2.37		
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	<p>The Company earned operational income of Rs. 223,540,344.00/- compared to Rs.184,421,490.00/- in the previous year.</p> <p>Profit after tax for the year under review is Rs. 10,552,712.00/- as compared to previous year figure of Rs. 4,259,143.00/-</p>
I	HUMAN RESOURCES DEVELOPMENT
	<p>Training: Training to employees at all levels is provided regularly to develop the knowledge and skills. The management is fully committed to the development of its human resources. Your Company aims at providing in-class training to each employee. Every new recruit receives complete safety training and on the job training from his colleagues / supervisor. Functional and developmental training is provided from time-to-time to all employees to enhance their skills and productivity. There is an all round support from the management to the development of human resources.</p> <p>Knowledge Management: Vera Group has a practice of sharing experiences of one company with other group companies in various fields of production / finance / marketing. Knowledge Management is being developed by involving and sharing of information on key performance parameters at all levels which results in an overall improvement. This has been formalized by having a daily Business Meeting which is held at all locations of the group companies.</p> <p>Industrial Relations: Your Company continues to maintain healthy and cordial industrial relations. The values and the culture of the group foster family feelings amongst all its employees. The Company's employee's strength as at 31st March, 2018 was 88.</p>



INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF VERA SYNTHETIC LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of **VERA SYNTHETIC LTD.** ("the Company"), which comprise the Balance Sheet as at **31/03/2018**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2018**, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the "**Annexure A**" statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31/03/2018** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2018** 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**".
- (g) In our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

For, Nirav Patel & Co.
(Chartered Accountants)
Firm Reg. No. 134617W

Nirav B. Patel
Partner
M. No. 149360

Place: Bhavnagar
Date: 10/05/2018

ANNEXURE - A

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2018

To,

The Members of VERA SYNTHETIC LTD.

(1) In Respect of Fixed Assets

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets:

(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;

(c) During the year the Company has not disposed off any substantial /major part of fixed assets.

(2) In Respect of Inventories

(a) As per the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year.

(b) In our opinion and as per the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The Company is maintaining proper records of inventories. In our opinion, discrepancies noticed on physical verification of inventory were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

(3) Compliance under section 189 of The Companies Act, 2013

As informed by the company, company has granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(a) In our opinion and according to the information and explanations given to us. The rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest to the company.

(b) This clause is not applicable since there are no loans granted during period covered under audit.

(c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.

(4) Compliance under section 185 and 186 of The Companies Act , 2013

While doing transaction for loans, investments, guarantees, and security provisions of

section 185 and 186 of the Companies Act, 2013 have been complied with.

(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits

The company has not accepted any public deposits as covered under section 73 to 76 of the act. Also no order from CLB or NLT or RBI or any other court has passed in this regard.

(6) Maintenance of cost records

The Company has maintained cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

(7) Deposit of Statutory Dues

According to the information and explanations given to us and based on the records of the company examined by us, save and except the item reported in last in this para of this note the company is generally regular in depositing the undisputed statutory dues, including Income-tax, Sales-tax, Wealth Tax, Service Tax, and other material statutory dues, as applicable, with the appropriate authorities in India; There is no dues which is outstanding for more than 6 month then they become payable.

(8) Repayment of Loans and Borrowings

The company has not defaulted in repayment of dues to financial institution, or a bank.

(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The company has not raised any money by way of public offers. The company also has not raised money via term loan. Hence there is no issue for use of this money.

(10) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

(11) Managerial Remuneration

Managerial remuneration has been paid or provided as per section 197 read with Schedule V to the Companies Act. Company has also passed due resolution and the same has been filed.

(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(13) Compliance with Section 177 and 188 of companies Act – 2013

There was audit committee formed as per section 177 and such transactions which are covered under section 188 of the companies act-2013 has been reflected in the note 1 of financial statements the same is attached herewith.

(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

During the year under review, the company has not made private placement of shares or debentures under section 42 of companies Act-2013.

(15) Compliance under section 192 of Companies Act - 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.

(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

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

***For, Nirav Patel & Co.
(Chartered Accountants)
Firm Reg. No. 134617W***

***Nirav B. Patel
Partner
M. No. 149360***

***Place: Bhavnagar
Date: 10/05/2018***

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of VERA SYNTHETIC LTD.

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

We have audited the internal financial controls over financial reporting of **VERA SYNTHETIC LTD.** (“The Company”) as of **March 31, 2018** 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The

procedures selected depend upon on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2018**, 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 issues by the Institute of Chartered Accountants of India.

***For, Nirav Patel & Co.
(Chartered Accountants)
Firm Reg. No. 134617W***

***Nirav B. Patel
Partner
M. No. 149360***

***Place: Bhavnagar
Date: 10/05/2018***

YEARLY REPORT 2017-18
VERA SYNTHETIC LTD.

BALANCE SHEET AS AT 31st March, 2018

	Note No.	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
A EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUNDS:			
(a) Share Capital	2	36,000,000	18,000,000
(b) Reserves & Surplus	3	15,815,930	23,263,218
2 NON CURRENT LIABILITIES			
(a) Long Term Borrowings	4	18,512,061	563,785
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
3 CURRENT LIABILITIES			
(a) Short Term Borrowings	5	28,218,194	7,856,975
(b) Trade Payables	6	34,103,543	2,643,647
(c) Other Current Liabilities	7	15,940,616	24,268,979
(d) Short Term Provisions	8	4,546,580	2,054,900
TOTAL		153,136,925	78,651,504
B ASSETS			
1 NON CURRENT ASSETS			
(a) Fixed Assets	9	34,526,389	10,637,047
(b) Non-current investments		-	-
(c) Long term loans and advances & Deposit	10	1,694,462	23,049,033
(d) Differed Tax Assets (Net)	11	758,117	945,261
(e) Other non - current assets		-	-
2 CURRENT ASSETS			
(a) Current investment		-	-
(b) Inventories	12	15,981,987	11,752,927
(c) Trade receivables	13	82,740,233	17,946,175
(d) Cash and cash equivalents	14	5,496,736	4,606,472
(e) Short term loans and advances	15	917,197	7,654,524
(f) Other current assets	16	11,021,803	2,060,065
TOTAL		153,136,925	78,651,504

Notes forming part of Financial Statements 1 to 26

The accompanying notes form an integral part of the financial statement.

As per our attached report of even date

For Nirav Patel & Co.
Chartered Accountants
FRN: 134617W

For and on behalf of Board of Directors of
VERA SYNTHETIC LTD.

Sd/-
(Nirav B. Patel)
Partner
M. No. 149360
Date : 10-05-2018
Place : Bhavnagar

Sd/-
Sunilbhai D. Makwana
Managing Director
DIN:00245683

Bhavik Mehta
CFO

Sd/-
Naginbhai D. Makwana
Whole Time Director
DIN:01833956

Kruti Shah
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March, 2018

	Note No.	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	
I	Revenue from Operations	17	222,511,077	184,201,677
II	Other Income	18	1,029,267	219,813
III	Total Revenue (I+II)		223,540,344	184,421,490
IV	EXPENSES			
	Cost of Material Consumed	19	96,347,892	117,808,332
	Purchase of traded goods	20	59,705,898	14,351,703
	Changes in inventories of finished goods	21	-3,612,788	2,496,523
	Employee Benefit expense	22	23,853,379	19,045,394
	Financial Costs	23	3,652,590	985,571
	Depreciation and Amortization Expenses	9	4,802,045	2,645,027
	Other Expenses	24	23,411,064	20,903,226
	Total Expenses		208,160,081	178,235,776
V	Profit before exceptional and extraordinary items and taxes (III - IV)		15,380,264	6,185,715
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V-VI)		15,380,264	6,185,715
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		15,380,264	6,185,715
X	Tax Expenses			
	(1) Current Tax		4,546,580	2,054,900
	(2) Excess Provision of Earlier Years		-	-
	(3) Income Tax (Previous Year)		93,828	15,087
	(4) Deferred Tax (Assets)		187,144	(143,416)
XI	Profit(Loss) for the period from continuing operations (IX - X)		10,552,712	4,259,144
XII	Profit(Loss) From discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit (Loss) from Discontinuing Operations (XII - XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		10,552,712	4,259,144
XVI	Earning per Equity Share of Rs. 10/- each			
	(a) Basic		2.93	2.37
	(b) Diluted		2.93	2.37

Notes forming part of Financial Statements

1 to 26

As per our attached report of even date

For Nirav Patel & Co.
Chartered Accountants
FRN: 134617W

For and on behalf of Board of Directors of
VERA SYNTHETIC LTD.

Sd/-
(Nirav B. Patel)
Partner
M. No. 149360
Date : 10-05-2018
Place : Bhavnagar

Sd/-
Sunilbhai D. Makwana
Managing Director
DIN:00245683

Sd/-
Naginbhai D. Makwana
Whole Time Director
DIN:01833956

Bhavik Mehta
CFO

Kruti Shah
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED ON

31.03.2018

A Cash Flow from the Operating Activities		
Net Profit Before Tax		15,380,264
Add : Adjustments for - Depreciation	4,802,045	
- Finance Costs	3,652,590	
- Misc. Expenses W/Off	0	
	8,454,635	
Less : Adjustments for - Interest Received	207,980	
- Income Tax Paid	3,472,614	
	4,774,041	4,774,041
Operating Profit before Working Capital Changes		20,154,304
Changes in Working Capital		
in Short term Borrowings	20,361,219	
in Trade Payable	31,459,896	
in Trade Receivable	(64,794,059)	
in Other Current Liabilities	(8,328,363)	
in Short term Provision	(3,222,694)	
in Short term Loans Advance & Deposits	6,737,327	
in Inventory	(4,229,060)	
in Other Current Assets	(8,961,738)	
Cash Generated from Operations	(30,977,471)	(30,977,471)
Less - Net Tax Expenses		4,546,580
Net Cash Flow from Operating Activities (A)		(6,276,586)
B Cash Flow from Investing Activities		
Inflows		
Sale of Fixed Assets & Investments	0	
Interest Received	207,980	
Outflows		
Purchase of Fixed Assets & Investments	(28,691,387)	
Interest Paid	0	
	(28,483,407)	(28,483,407)
Net Cash Used in Investing Activities (B)		(28,483,407)
C Cash Flow from Financing Activities		
Proceeds from Equity Share Capital Issued	0	
Proceeds from Preference Share Capital Issued	0	
Long term borrowings	17,948,276	
Long term Loans & Advances	21,354,571	
	39,302,848	39,302,848
Less - Finance Cost of Interest & Other	3,652,590	
Less - Repayment of Secured Loan & Unsecured Loan	0	
	3,652,590	3,652,590
Net Cash Flow from Financing Activities (C)		35,650,258
Net Decrease / Increase in Cash & Cash Equivalents		890,264
Cash & Cash Equivalents (Opening Balance)		4,606,472
Cash & Cash Equivalents (Closing Balance)		5,496,736

As per our attached report of even date

For Nirav Patel & Co.
Chartered Accountants
FRN: 134617W

For and on behalf of Board of Directors of
VERA SYNTHETIC LTD.

Sd/-
(Nirav B. Patel)
Partner
M. No. 149360
Date : 10-05-2018
Place : Bhavnagar

Sd/-
Sunilbhai D. Makwana
Managing Director
DIN:00245683

Bhavik Mehta
CFO

Sd/-
Naginbhai D. Makwana
Whole Time Director
DIN:01833956

Kruti Shah
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 2 : SHARE CAPITAL

		As at 31.03.2018		As at 31.03.2017
	Number of Shares		Number of Shares	
(a) Authorised				
Equity shares of Rs. 10 each with Voting rights	7,000,000	70,000,000	1,800,000	18,000,000
(b) Issued & Subscribed Capital				
Equity shares of Rs. 10 each with Voting rights	3,600,000	36,000,000	1,800,000	18,000,000
(c) Called Up & Paid Up Share Capital				
Equity shares of Rs. 10 each with Voting rights	3,600,000	<u>36,000,000</u>	1,800,000	<u>18,000,000</u>
		<u>36,000,000</u>		<u>18,000,000</u>

- (i) Reconciliation of the number of shares and amount outstanding at the beginning of the period and at the end of the period:

	Opening Balance	Bonus Issue	Closing Balance
Equity Shares with Voting rights			
Year ended 31 March 2018			
- No. Of shares	1,800,000	1,800,000	3,600,000
- Amount	18,000,000	18,000,000	36,000,000
Year ended 31 March 2017			
- No. Of shares	1,800,000	-	1,800,000
- Amount	18,000,000	-	18,000,000

During the year company has allotted 1:1 bonus shares on 27.10.2017

- (ii) Details of Shareholders holding more than 5 % shares:

Class of Shares / Name of Shareholder	As at 31.03.2018		As at 31.03.2017	
	Number of Shares Held	% of Holding in that class of shares	Number of Shares Held	% of Holding in that class of shares
Equity Shares with Voting Rights				
Narottambhai Grodhanbhai Sarvaiya	400,000	11.11%	200,000	11.11%
Yogeshbhai Devjibhai Makwana	300,000	8.33%	150,000	8.33%
Smt.Sheebaben Yogeshbhai Makwana	300,000	8.33%	150,000	8.33%
Naginbhai Devjibhai Makwana	793,964	22.05%	396,982	22.05%
Trambak D.Makwana	206,000	5.72%	103,000	5.72%
Bharat Dilipbhai Makwana	0	0.00%	100,000	5.56%
Bharatiben Naginbhai Makwana	200,000	5.56%	100,000	5.56%
Devjibhai Premjibhai Makwana-Huf	200,000	5.56%	100,000	5.56%
Sunil Devjibhai Makwana	800,036	22.22%	300,000	16.67%
Champaben Devjibhai Makwana	200,000	5.56%	100,000	5.56%
Devjibhai Premjibhai Makwana	200,000	5.56%	100,000	5.56%

- (iii) The company has issued only one class of shares referred to as equity shares having a par value of Rs. 10/-. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All shares rank equally with regards to company's residual assets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2018	As at 31.03.2017
Note 3 : RESERVES & SURPLUS		
(a) General Reserve		
Capital Redemption Reserves		
Opening Balance as per last Financial Statements	1,000,000	1,000,000
Add: During The Year		-
Closing Balance	1,000,000	1,000,000
(b) Surplus in Statement of Profit & Loss		
Opening Balance	22,263,218	18,004,075
Add : Profit for the Year	10,552,712	4,259,144
	32,815,930	22,263,218
Less :		
Proposed Dividend		-
Tax on Dividend		-
Bonus Share	18,000,000	
Closing Balance	14,815,930	22,263,218
TOTAL	15,815,930	23,263,218

Note 4 : LONG TERM BORROWINGS

	As at 31.03.2018	As at 31.03.2017
Term Loan		
From Bank		
HDFC Bank Car Loan	460,877	570,614
[Secured by Hypothecation charge on Cars]		
[Terms of Repayment: Thirty Six Months from the date of sanction].		
State Bank of India	21,334,103	-
[Secured by Hypothecation charge on Machinery]		
[Terms of Repayment: Eighty Four Months from the date of sanction].		
From Others		
Maganbhai L. Chavda	102,910	102,910
Less:		
Current Maturity of Long Term Debt	(3,385,828)	(109,739)
TOTAL	18,512,061	563,785

Note 5 : SHORT-TERM BORROWINGS

Loan Repayable on Demand		
From Bank		
SBI CC A/c No. 31695777938	18,490,527	7,856,975
[Fund based working capital limit sanctioned against hypothecation of all type of stocks, receivables and all other current asset of the company]		
From Other Parties		
	-	-
Loans & Advances From Related Parties	9,727,667	-
Deposits	-	-
Others	-	-
TOTAL	28,218,194	7,856,975

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2018	As at 31.03.2017
Note 6 : TRADE PAYABLES		
Trade Payables	34,103,543	2,643,647
TOTAL	34,103,543	2,643,647
Note 7 : OTHER CURRENT LIABILITIES		
Current Maturity of Long Term Debt	3,385,828	109,739
Income Received Inadvance/Advance From Customers	9,797,017	20,800,289
Other Payable		
Statutory Liabilities	365,047	1,650,915
Other Liabilities	2,392,724	1,708,036
TOTAL	15,940,616	24,268,979
Note 8 : SHORT TERM PROVISIONS		
Others:		
Provisions For Income Tax	4,546,580	2,054,900
TOTAL	4,546,580	2,054,900
Note 10: LONG TERM LOAN AND ADVANCES & DEPOSIT		
Capital Advances		
Secured, Considered Good	-	-
Unsecured, Considered Good	-	-
Doubtful	-	-
	-	-
Security Deposits		
Secured, Considered Good	1,694,462	1,694,376
Doubtful	-	-
	1,694,462	1,694,376
Loans and advances to related parties	-	21,293,692
Other Loans and advances	-	60,965
TOTAL	1,694,462	23,049,033
Note 11: DEFERRED TAX ASSETS		
Opening Balance	945,261	801,845
<u>ADD</u>		
Created During The Year		143,416
<u>LESS</u>		
Reversal of Deferred Tax Assets	187,144	-
TOTAL	758,117	945,261

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2018	As at 31.03.2017
Note 12 : INVENTORIES		
Raw Materials	3,718,350	3,102,078
Finished Goods	12,263,637	8,650,849
Semi-Finished Goods	-	-
Consumable Stores	-	-
Trading Goods	-	-
TOTAL	15,981,987	11,752,927

Finished goods and Semi finished goods are valued at lower of cost or Market value. Cost includes purchase value, freight & octroi, proportionate manufacturing expense, wages & salary to employees, non cenvatable duties and taxes.
The quantity and value of the stock as taken & certified by the directors of the company.

Note 13 : TRADE RECEIVABLES

Out Standing for Less than Six Months		
Secured, Considered Good	4,354,204	7,916,064
Unsecured, Considered Good	-	-
Doubtful	-	-
Out Standing for More than Six Months		
Secured, Considered Good	78,386,029	10,030,111
Unsecured, Considered Good	-	-
Doubtful	-	-
TOTAL	82,740,233	17,946,175

Note 14 : CASH AND CASH EQUIVALENTS

Cash in Hand	85,511	186,416
Deposits with Banks	1,320,136	4,350,739
Security Deposits	-	-
	<u>1,405,647</u>	<u>4,537,155</u>
Balances with Scheduled Banks		
Indusind Bank A/c 201002161069	50,000	
Axis Bank Current A/c 915020017892372	4,041,088	69,317
	<u>4,091,088</u>	<u>69,317</u>
TOTAL	5,496,736	4,606,472

Note 15 : SHORT TERM LOANS AND ADVANCES

Loans and Advances to Ralated Parties		
Secured, Considered Good		-
Unsecured, Considered Good		-
Doubtful		-
Other		
<i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
Advance to suppliers of Goods and Services & Expenses	917,197	7,654,524
TOTAL	917,197	7,654,524

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2018	As at 31.03.2017
Note 16: OTHER CURRENT ASSETS		
Prepaid Expenses	686,840	83,951
Balance with Revenue Authorities	10,334,963	1,976,114
Other Current Assets	-	-
TOTAL	11,021,803	2,060,065

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2018	As at 31.03.2017
Note 17 : REVENUE FROM OPERATIONS		
Sale Of Product		
Sale of Goods	222,511,077	184,932,453
Less: Sales Returns	-	(2,869,176)
Job Work Income	-	2,138,400
Revenue From Operations	222,511,077	184,201,677
Details of Sales of Products		
- Fishing Nets	103,255,415	46,191,655
- Fishing Ropes	36,743,447	59,337,301
- Mono Niwar	8,330,069	50,735,989
- Mono Twine	6,935,069	10,886,829
- Mono Yarn	1,981,684	15,245,023
- Plastic Granuals	63,549,180	-
- Plastic Waste	1,216,214	2,535,656
TOTAL	222,011,077	184,201,677

Note 18 : OTHER INCOME

Interest Income		
Interest On FDR With Bank	207,980	55,714
Interest on Security Deposit with PGVCL	92,178	100,185
Foregin Exchange Gain	246,228	
Other Income	482,881	63,914
TOTAL	1,029,267	219,813

Note 19 : COST OF MATERIAL CONSUMED

Consumption of Raw Material		
Inventory at the beginning of the year	3,102,078	-
Add: Purchase		
Plastic Granuals & Colour	98,117,165	123,927,798
Less : Trade Discount	(2,615,340)	(3,186,985)
Less: Inventory at the end of the year	(3,718,350)	(3,102,078)
Raw Material Consumed (a)	94,885,553	117,638,734
Consumption of Consumable Stores		
Inventory at the beginning of the year	-	109,230
Add: Purchases	1,462,339	60,368
Less: Inventory at the end of the year	-	-
Consumption of Consumable Stores (b)	1,462,339	169,598
TOTAL	96,347,892	117,808,332

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2018	As at 31.03.2017
Note 20 : Purchase Of Traded Goods		
Purchase Of Trading Goods :		
Fishing Nets	-	14,240,000
Mono Rope	-	145,840
Granules	59,705,898	-
Less : Purchase Return	-	(34,137)
TOTAL	59,705,898	14,351,703

Note 21 : CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE

Inventories at the End of the Year		
- Finished Goods	12,263,637	8,650,849
- Semi-Finished Goods		
- Trading Goods		
Inventories at the beginning of the Year		
- Finished Goods	8,650,849	11,147,372
- Semi-Finished Goods		
- Trading Goods		
NET (INCREASE) / DECREASE	-3,612,788	2,496,523

Note 22 : EMPLOYEE BENEFIT EXPENSES

Salary, Wages and Bonus	23,834,341	18,606,833
Contribution to Provident and Other Funds	1,538	438,561
Professional Tax	17,500	
Staff Welfare Expenses	-	-
Others	-	-
TOTAL	23,853,379	19,045,394

Salaries, Wages & bonus includes:

Remuneration to the Managing Directors & other Whole time Directors:	8,150,000	7,800,000
As per Accounting standard 15 " Employee benefits ",the disclosure defined in the accounting standard are given as below:		

Employer's Contribution to Provident fund	1,538	438,561
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Note 23 : FINANCIAL COSTS

Interest Expenses on:		
Borrowing - Banks	2,697,688	606,940
Borrowing - Others	61,214	77,914
Delayed/Deffered Payment of Govt.Authority	23,046	9,941
Other Borrowing Costs		
Bank Commission	870,642	290,776
TOTAL	3,652,590	985,571

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2018	As at 31.03.2017
Note 24 : OTHER EXPENSES		
Manufacturing Expenses		
Repairs & Maintenance	70,720	41,000
Discount & Kasar	64,758	166,059
Electricity Exp.	12,876,359	10,571,084
Freight & Transportation	1,989,975	2,776,315
Packing Charges	164,038	29,573
Excise Duty & Custom Duty & Other Tax	2,316,666	-
Administrative expenses.		
Advertisement Expenses	281,400	-
Agency Charges	1,205,987	3,000
Audit Fees	150,000	29,000
Bad Debts	-	1,549,800
GIDC Charges	5,153	220,746
Foreign Exchange Fluctuation loss	-	1,022,380
Fees & Subscription	79,906	2,100
Insurance Expenses	461,270	397,682
Legal & Professional Fees	276,690	78,090
Valuation Expenses	37,420	-
Post & courier Expenses	75	3,670
Rate Diff.	-	90,176
Stamp Duty Charges	739,538	-
Service Tax Paid	95,539	41,798
Stationary Expenses	15,250	10,240
Telephone Expenses	64,373	162,342
Medical Expenses	38,000	-
Software Expenses	32,725	-
Sales & Distribution Expenses		
Business Promotion	12,508	66,825
Quantity Discount	641,230	665,417
Freigh Outward	1,603,380	892,803
Cash Discount	188,104	2,083,127
TOTAL	23,411,064	20,903,226
Payment to Auditor Includes		
As auditor	150,000	29,000
Expenditure in Foreign Currency		
Travelling Expense	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2018	As at 31.03.2017
Note 25 : EARNING PER EQUITY SHARE		
Total operations for the year		
Profit/(loss) after tax	10,552,712	4,259,144
Less: Dividends on convertible preference share & tax thereon		0
Net profit/(loss) available for equity shareholders	10,552,712	4,259,144
Weighted average number of equity shares in calculating basic EPS	3600000	1800000
Weighted average number of equity shares in calculating diluted EPS	3600000	1800000
Earning Per Share:		
(1) Basic.	2.93	2.37
(2) Diluted.	2.93	2.37

Note 26 : CONTINGENT LIABILITIES

26.1 No provision has been made for gratuity as no employee has yet completed the years in service for the entitlement of the benefits.

26.2 No provision has been made for leave encashment as the quantum of the liability is not reasonably ascertainable due to the availability of leave encashment benefit and availment of leave any time during the service period of the employees.

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Note 9 : FIXED ASSET - Depreciation and Amortization Expenses

DEPRECIATION CALCULATION AS PER COMPANIES ACT 2013 ON WDV BASIS

DESCRIPTION	RATE	GROSS BLOCK				ACCUMULATED DEPRECIATION					NET BLOCK	
		As at 1st April 2017	Additions	Disposals / Adjustments/ Retirals	As at 31st Mar 2018	As at 1st April 2017	Depreciation / Amortization Expenses For the year	Impairment losses recognized/ (reversed) in Statement of Profit & Loss	Eliminated on disposal/ Retiral of assets/ Adjustments	Transition adjustment recorded against Surplus balance in Statement of Profit & Loss	As at 31st Mar 2018	W.D.V Current Year
VEHICLE												
Maruti Alto Lxi-Ar4csf	52.71%	332,195	-	-	332,195	320,980	5,911	-	-	326,891	5,304	11,215
Honda City Car	31.23%	706,619	-	-	706,619	220,708	151,750	-	-	372,458	334,161	485,911
PLANT & MACHINERY												
Plant & Machinery	28.31%	33,104,760	-	-	33,104,760	28,515,688	1,299,166	-	-	29,814,854	3,289,906	4,589,072
Plant & Machinery	18.10%	-	28,649,750	-	28,649,750	-	2,862,825	-	-	2,862,825	25,786,925	-
Electric Installation	52.71%	799,296	-	-	799,296	776,461	12,036	-	-	788,497	10,799	22,835
LAND & BUILDING												
Land at Mamsa Plot No.3	0.00%	437,278	-	-	437,278	-	-	-	-	-	437,278	437,278
Land at Vartej Plot No.19	0.00%	374,186	-	-	374,186	-	-	-	-	-	374,186	374,186
Factory Building Plot No.3	11.73%	7,926,250	-	-	7,926,250	4,710,726	377,181	-	-	5,087,907	2,838,343	3,215,524
Office Building.	5.42%	2,517,500	-	-	2,517,500	1,030,460	80,598	-	-	1,111,058	1,406,442	1,487,040
OFFICE EQUIPMENT												
Office Equipment	0.00%	145,300	-	-	145,300	145,090	-	-	-	145,090	210	210
Computer & Printer	63.16%	557,315	41,637	-	598,952	554,928	6,574	-	-	561,502	37,450	2,387
Mobile	52.71%	61,599	-	-	61,599	56,704	2,580	-	-	59,284	2,315	4,895
Lcd Tv 32" (Videocon)	52.71%	17,000	-	-	17,000	15,571	753	-	-	16,324	676	1,429
Air Conditioner	52.71%	50,300	-	-	50,300	47,190	1,639	-	-	48,829	1,471	3,110
Furniture and Fixtures	52.71%	28,200	-	-	28,200	26,245	1,030	-	-	27,275	925	1,955
TOTAL		47,057,798	28,691,387	-	75,749,185	36,420,751	4,802,045	-	-	41,222,796	34,526,389	10,637,047
<i>Previous Year</i>		<i>46,351,179</i>	<i>706,619</i>	<i>-</i>	<i>47,057,798</i>	<i>33,775,724</i>	<i>2,645,027</i>	<i>-</i>	<i>-</i>	<i>36,420,751</i>	<i>10,637,047</i>	<i>12,575,455</i>

Note: We have considered the put to use date as 1st day of next month after the purchase month in case of plant & Machinery and the depreciation is calculated based on this assumption.



Thank you...

Vera Synthetic Limited

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